Montana Legislative History

Chapter: 362 Session L: 2007
Bill Number: 790 House

Checklist of Bill History

- History and Final Status Sheet ☑
- Introduced Bill ☑
- Fiscal Note ☑
- Third Reading Bill ☐
- Final Version of Bill ☐

House	Senate
Committee: Business & Labor Appropriations	Committee: Business, Labor, & Economic Affairs
Hearing Date(s): 02/22/2007 03/13/2007	Hearing Date(s): 4/13/2007*
Committee Report: 02/23/2007 03/30/2007	Committee Report: 04/13/2007*

Conference Committee

Hearing Date(s):

Conference Committee Report:

Compiler Notes

Compiled by: S.K. Marshall

Date: 1/10/2024

Notes: * The Senate committee audio file is available here: https://sg001-harmony.sliq.net/00309/Harmony/en/PowerBrowser/PowerBrowserV2/20070413/-1/24788
However, the notes attached to the audio file DO NOT match the actual hearing. We do not know if any exhibits were used since we do not have the accurate notes for the hearing.

Bill Draft Number: LC2404
Bill Type - Number: HB 790
Short Title: Revise unemployment insurance contribution rates & admin. assessments
Primary Sponsor: Llew Jones (R) HD 27
Chapter Number: 362

Bill Actions - Current Bill Progress: Became Law

Bill Action Count: 52

Action - Most Recent First	Date	Votes Yes	Votes No	Committee
Chapter Number Assigned	05/01/2007			
(H) Signed by Governor	04/30/2007			
(H) Transmitted to Governor	04/20/2007			
(S) Signed by President	04/19/2007			
(H) Signed by Speaker	04/19/2007			
(C) Printed - New Version Available	04/18/2007			
(H) Returned from Enrolling	04/17/2007			
(H) Sent to Enrolling	04/17/2007			
(S) Returned to House	04/17/2007			
(S) 3rd Reading Concurred	04/17/2007	49	1	
(S) Scheduled for 3rd Reading	04/17/2007			
(S) 2nd Reading Concurred on Voice Vote	04/16/2007	48	2	
(S) Scheduled for 2nd Reading	04/16/2007			
(S) Committee Report--Bill Concurred	04/13/2007			(S) Business, Labor, and Economic Affairs
(S) Committee Executive Action--Bill Concurred	04/13/2007	11	0	(S) Business, Labor, and Economic Affairs
(S) Hearing	04/13/2007			(S) Business, Labor, and Economic Affairs
(S) Referred to Committee	04/03/2007			(S) Business, Labor, and Economic Affairs
(S) First Reading	04/03/2007			
(H) Transmitted to Senate	04/02/2007			
(H) 3rd Reading Passed	04/02/2007	100	0	
(H) Scheduled for 3rd Reading	04/02/2007			
(H) 2nd Reading Passed	03/31/2007	100	0	
(H) Scheduled for 2nd Reading	03/31/2007			
(H) Committee Report--Bill Passed	03/30/2007			(H) Appropriations
(H) Committee Executive Action--Bill Passed	03/30/2007	19	0	(H) Appropriations
(H) Hearing	03/13/2007			(H) Appropriations
(H) Rereferred to Committee	03/05/2007			(H) Appropriations
(H) 2nd Reading Passed	03/05/2007	99	0	

(H) Scheduled for 2nd Reading	03/05/2007		
(C) Printed - New Version Available	02/23/2007		
(H) Committee Report--Bill Passed as Amended	02/23/2007		(H) Business and Labor
(H) Committee Executive Action--Bill Passed as Amended	02/23/2007	16	0 (H) Business and Labor
(H) Fiscal Note Printed	02/22/2007		
(H) Fiscal Note Received	02/22/2007		
(H) Hearing	02/22/2007		(H) Business and Labor
(C) Introduced Bill Text Available Electronically	02/21/2007		
(H) First Reading	02/21/2007		
(H) Referred to Committee	02/21/2007		(H) Business and Labor
(H) Introduced	02/21/2007		
(H) Fiscal Note Requested	02/21/2007		
(C) Draft Delivered to Requester	02/19/2007		
(C) Draft Ready for Delivery	02/19/2007		
(C) Draft in Assembly/Executive Director Review	02/19/2007		
(C) Draft in Final Drafter Review	02/19/2007		
(C) Bill Draft Text Available Electronically	02/19/2007		
(C) Draft in Input/Proofing	02/19/2007		
(C) Draft to Drafter - Edit Review	02/17/2007		
(C) Draft in Edit	02/17/2007		
(C) Draft in Legal Review	02/13/2007		
(C) Draft to Requester for Review	02/13/2007		
(C) Draft On Hold	01/16/2007		
(C) Draft Request Received	01/15/2007		

Sponsor, etc.

Sponsor, etc.	Last Name/Organization	First Name	Mi
Requester	Arntzen	Elsie	
Drafter	Campbell	Bart	
Primary Sponsor	Jones	Llew	

Subjects

Description	Revenue/Approp.	Vote Majority Req.	Subject Code
Revenue, State	Revenue	Simple	REVS
Unemployment Insurance (see also: Labor and Employment)		Simple	UNEM

Additional Bill Information

Fiscal Note Probable: Yes
Preintroduction Required: N
Session Law Ch. Number: 362
DEADLINE
Category: Revenue Bills
Transmittal Date: 04/03/2007
Return (with 2nd house amendments) Date: 04/18/2007

Section Effective Dates

Section(s)	Effective Date	Date Qualified
Section 4	01-JUL-08	
Sections 1, 3, 5, and 6	01-JAN-08	
Sections 2 and 7	01-OCT-07	

HOUSE BILL NO. 790

INTRODUCED BY L. JONES, KEANE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ASSESSMENTS USED FOR PAYMENT OF EXPENSES INCURRED FOR ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; PROVIDING THAT FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT MAY BE USED FOR EXPENSES INCURRED IN ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; CHANGING CONTRIBUTION RATES TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR GOVERNMENTAL ENTITIES AND ADJUSTING RATE SCHEDULES FOR EMPLOYERS UNDER THE UNEMPLOYMENT INSURANCE PROGRAM; AMENDING SECTIONS 39-51-404, 39-51-409, 39-51-1121, 39-51-1212, 39-51-1218, AND 39-51-3207, MCA; AND PROVIDING EFFECTIVE DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-51-404, MCA, is amended to read:

"39-51-404. Administrative expenses. (1) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this chapter pursuant to a specific appropriation by the legislature if the expenses are incurred and the money is requisitioned after the enactment of an appropriation law that:

(a) specifies the purposes for which the money is appropriated and the amounts appropriated; and

(b) limits the amount that may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount not exceeding the amount by which the aggregate of the amounts credited to the account of this state pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of the 35 12-month periods.

(2) For the purposes of this section, amounts used during any 12-month period must be charged against equivalent amounts that were first credited and that are not already charged, except that an amount used for

administration during any 12-month period may not be charged against any amount credited during a 12-month period earlier than the 34th preceding period. Money requisitioned for the payment of expenses of administration pursuant to this section must be deposited in the unemployment insurance administration account but, until expended, must remain a part of the unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds deposited. If any money deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating the money, it must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) ~~An assessment equal to 0.13% of all taxable wages provided for in 39-51-1108 and 0.05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers. All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.~~ The following assessments must be levied against and paid by the indicated employers:

(a) beginning January 1, 2008:

(i) 0.13% of all taxable wages paid by employers assigned a Rate Class 1, Schedules I and II, AND RATE CLASS 2, SCHEDULE I, contribution rate as provided in 39-51-1218;

(ii) 0.18% of all taxable wages paid by employers assigned a contribution rate other than Rate Class 1, Schedules I and II, and Rate class 2, Schedule I, as provided in 39-51-1218;

(iii) 0.18% of all taxable wages paid by employers assigned an industrial rate as provided in 39-51-1217;

(iv) 0.08% of total wages paid by all employers as provided in 39-51-1124;

(b) beginning July 1, 2008, 0.09% of total wages paid by all employers as provided in 39-51-1212.

(5) All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.

(6) The following assessments and investment income from those assessments are designated to be used for the administration of the unemployment insurance program:

(a) 0.05% of all taxable wages paid by all employers as provided in 39-51-1218;

(b) 0.05% of all taxable wages paid by employers assigned an industry rate as provided in 39-51-1217;

(c) 0.03% of total wages paid by all employers as provided in 39-51-1124; and

(d) beginning July 1, 2008, 0.04% of total wages paid by all employers as provided in 39-51-1212.

(7) If unemployment insurance funding sources exceed the needs of the unemployment insurance

program, all or a portion of the excess may be appropriated and used for the purposes outlined in 39-51-409."

Section 2. Section 39-51-409, MCA, is amended to read:

"39-51-409. Employment security account. (1) There is an account ~~created~~ in the state special revenue fund called the employment security account.

(2) Money deposited in the employment security account may be appropriated to the department for payment of:

(a) unemployment insurance benefits;

(b) expenses incurred in the administration of the unemployment insurance program;

~~(b)~~(c) expenses incurred in collecting money deposited in the account;

~~(c)~~(d) expenses incurred for the employment offices established in 39-51-307, including expenses for providing services to the business community;

~~(d)~~(e) expenses incurred for the apprenticeship and training program;

~~(e)~~(f) expenses for displaced homemaker programs provided for under 39-7-305;

~~(f)~~(g) expenses for department research and analysis functions that provide employment, wage, and economic data; and

~~(g)~~(h) expenses for department functions pertaining to wage and hour laws, prevailing wages, and collective bargaining.

(3) The department may transfer funds from the employment security account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide for the employment services programs identified in subsection (2).

(4) The department may transfer appropriation authority in employment services programs between the federal special revenue and the state special revenue fund types."

Section 3. Section 39-51-1121, MCA, is amended to read:

"39-51-1121. Definitions. As used in part 12 and this part ~~and part 12~~, the following definitions apply:

(1) "Computation date" means the reporting period ending September 30 preceding the calendar year for which a covered employer's contribution rate is effective.

(2) "Cutoff date" means October 31 immediately following the computation date. The department may

extend the cutoff date in meritorious cases.

(3) "Deficit employer" means an employer who is subject under this chapter and who has established a record of accumulated benefits charged to the employer's account in excess of the employer's accumulated contributions paid as of the cutoff date.

(4) "Eligible employer" means an employer who has been subject under this chapter for the 3 fiscal years immediately preceding the computation date and who has:

(a) established a record of accumulated contributions in excess of benefits charged to the employer's account; and

(b) paid wages in at least 1 of the 8 calendar quarters preceding the computation date.

(5) "Fiscal year" means the four consecutive calendar quarters ending on September 30.

(6) "Governmental entities" means the state or any political subdivision of the state or an instrumentality of the state or a political subdivision, including any employing unit funded directly by tax levies.

(7) "New employer" means an employer who:

(a) has not been subject to the provisions of this chapter for the 3 fiscal years immediately preceding the computation date; and

(b) has established a record of accumulated contributions in excess of benefits charged to the employer's account.

(8) "Taxable wage base" means the amount of wages subject to contributions and to assessments under 39-51-404~~(4)~~ for each calendar year. Payment of contributions and of assessments under 39-51-404~~(4)~~ may apply only to wages paid up to and including the amount specified in 39-51-1108."

Section 4. Section 39-51-1212, MCA, is amended to read:

"39-51-1212. Experience rating for governmental entities. (1) Governmental entities ~~newly~~ covered under this chapter ~~after December 31, 1974, shall make payments for the period prior to July 1, 1977, equal to 0.4% of total wages paid employees for services in employment during the calendar quarter and for the period after July 1, 1977,~~ shall make payments at the median rate.

(2) The rates of governmental entities who have accumulated experience rating credits ~~shall~~ must be adjusted annually as follows with each governmental entity assigned a rate based upon:

(a) its benefit cost experience, to be arrived at by dividing the total sum of benefits charged to the employer's account for all past periods ~~which~~ that are completed transactions by December 31 by total wages

from date of subjectivity of the employing unit through December 31; and

(b) the benefit cost for all past years of governmental entities electing to pay contributions compared with total payrolls reported for all past years by these governmental entities used as a median, with the rates so fixed using the median that the rates will, when applied to the total annual payroll for subject governmental entities, yield total paid contributions equaling approximately the total benefit costs.

(3) New governmental entities electing to pay contributions ~~shall~~ must be assigned the median rate for the year in which they become subject.

(4) ~~At no time may the~~ The minimum rate may not be less than ~~0.1%~~ 0.06% ~~or~~ and the maximum rate may not be greater than 1.5%. The rates are to be graduated at one-tenth intervals.

(5) ~~In the event~~ If benefit charges exceed contributions paid in the last 2 completed fiscal years, governmental entities' rates ~~will~~ must be adjusted by increasing all rates to the next higher schedule.

(6) The computed rate is effective July 1 of each year.

(7) Governmental entities must be charged for their share of the total benefits paid to a claimant if the governmental entity contributed wages during the claimant's base period. The benefit charged must be based on the percentage of wages paid by the governmental entity as compared to the total wages paid by all employers in the claimant's base period.

(8) A payment may not be required under this section with respect to benefits paid to an individual if the governmental employer continues to provide employment to the individual with no reduction in hours or wages."

Section 5. Section 39-51-1218, MCA, is amended to read:

"39-51-1218. Rate schedules.

SCHEDULES OF CONTRIBUTION RATES - Part I

	Sched. I	Sched. II	Sched. III	Sched. IV
Minimum Ratio of Fund to Total Wages	~~(.0245)~~ (.0260)	~~(.0225)~~ (.0245)	~~(.0200)~~ (.0225)	~~(.0170)~~ (.0200)
Average Tax Rate	~~1.37~~ ~~1.17~~ 1.12	~~1.57~~ ~~1.37~~ 1.32	~~1.77~~ ~~1.57~~ 1.52	~~1.97~~ ~~1.77~~ 1.72
Rate Class	Contribution Rates for Eligible Employers			
1	0.00%	~~0.07%~~ 0.00%	~~0.27%~~ 0.02%	~~0.47%~~ 0.22%
2	~~0.07~~ 0.00	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42

3	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62	
4	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82	
5	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	
6	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	
7	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	
8	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	
9	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	
10	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	

Rate Class — Contribution Rates for Deficit Employers

1	~~3.17%~~ 2.92%	~~3.37%~~ 3.12%	~~3.57%~~ 3.32%	~~3.77%~~ 3.52%
2	~~3.37~~ 3.12	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72
3	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92
4	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12
5	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32
6	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52
7	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72
8	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ ~~5.12~~ 4.92
9	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ ~~5.12~~ 4.92	~~5.37~~ ~~5.32~~ 5.12
10	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12

SCHEDULES OF CONTRIBUTION RATES - Part II

Sched. V	Sched. VI	Sched. VII	Sched. VIII	Sched. IX	Sched. X	Sched. XI
~~(.0135)~~	~~(.0095)~~	~~(.0075)~~	~~(.0050)~~	~~(....)~~	~~(....)~~	(....)
~~(.0175)~~ (.0170)	(.0135)	(.0095)	(.0075)	(.0050)	(.0025)	(....)
~~2.17~~ 1.92	~~2.37~~ 2.12	~~2.57~~ 2.32	~~2.77~~ 2.52	~~2.97~~ 2.72	~~3.17~~ 2.92	3.12

Contribution Rates for Eligible Employers

~~0.67%~~ 0.42%	~~0.87%~~ 0.62%	~~1.07%~~ 0.82%	~~1.27%~~ 1.02%	~~1.47%~~ 1.22%	~~1.67%~~ 1.42%	1.62%

~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	1.82
~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	2.02
~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	2.22
~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	2.42
~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	2.62
~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	2.82
~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	3.02
~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	3.22
~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	~~3.47~~ 3.22	3.42

Contribution Rates for Deficit Employers

~~3.97%~~	~~4.17%~~	~~4.37%~~	~~4.57%~~	~~4.77%~~	~~4.97%~~	
3.72%	3.92%	4.12%	4.32%	4.52%	4.72%	4.92%
~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	5.12
~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	5.32
~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	5.52
~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	5.72
~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	5.92
~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	6.12
~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	6.12
~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12
~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12"

Section 6. Section 39-51-3207, MCA, is amended to read:

"39-51-3207. Authority to determine uncollectibility of debts -- transfer of debts for collection -- liability for payment of fees and costs of collection. (1) After making all reasonable efforts to collect unpaid contributions, assessments under 39-51-404~~(4)~~, and penalties and interest, or overpaid benefits under 39-51-3206 and interest, the department may determine a debt to be uncollectible. Upon determining that a debt is uncollectible, the department may transfer the debt to the department of revenue for collection as provided in 17-4-104.

(2) Subject to approval by the department, reasonable fees or costs of collection incurred by the

department of revenue may be added to the amount of the debt, including added fees or costs. The debtor is liable for repayment of the amount of the debt plus fees or costs added pursuant to this subsection. All money collected must be returned to the department to be applied to the debt, except that all fees or costs collected must be retained by the department of revenue. If less than the full amount of the debt is collected, the department of revenue shall retain only a proportionate share of the collection fees or costs."

NEW SECTION. **Section 7. Effective dates.** (1) [Section 2 and this section] are effective October 1, 2007.

(2) [Sections 1, 3, 5, and 6] are effective January 1, 2008.

(3) [Section 4] is effective July 1, 2008.

- END -

HOUSE BILL NO. 790

INTRODUCED BY L. JONES

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ASSESSMENTS USED FOR PAYMENT OF EXPENSES INCURRED FOR ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; PROVIDING THAT FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT MAY BE USED FOR EXPENSES INCURRED IN ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; CHANGING CONTRIBUTION RATES TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR GOVERNMENTAL ENTITIES AND ADJUSTING RATE SCHEDULES FOR EMPLOYERS UNDER THE UNEMPLOYMENT INSURANCE PROGRAM; AMENDING SECTIONS 39-51-404, 39-51-409, 39-51-1121, 39-51-1212, 39-51-1218, AND 39-51-3207, MCA; AND PROVIDING EFFECTIVE DATES."

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(a) specifies the purposes for which the money is appropriated and the amounts appropriated; and

(b) limits the amount that may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount not exceeding the amount by which the aggregate of the amounts credited to the account of this state pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of the 35 12-month periods.

(2) For the purposes of this section, amounts used during any 12-month period must be charged against equivalent amounts that were first credited and that are not already charged, except that an amount used for administration during any 12-month period may not be charged against any amount credited during a 12-month

period earlier than the 34th preceding period. Money requisitioned for the payment of expenses of administration pursuant to this section must be deposited in the unemployment insurance administration account but, until expended, must remain a part of the unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds deposited. If any money deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating the money, it must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) ~~An assessment equal to 0.13% of all taxable wages provided for in 39-51-1108 and 0.05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers. All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.~~ The following assessments must be levied against and paid by the indicated employers:

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(i) 0.13% of all taxable wages paid by employers assigned a Rate Class 1, Schedules I and II, contribution rate as provided in 39-51-1218;

(ii) 0.18% of all taxable wages paid by employers assigned a contribution rate other than Rate Class 1, Schedules I and II, and Rate class 2, Schedule I, as provided in 39-51-1218;

(iii) 0.18% of all taxable wages paid by employers assigned an industrial rate as provided in 39-51-1217;

(iv) 0.08% of total wages paid by all employers as provided in 39-51-1124;

(b) beginning July 1, 2008, 0.09% of total wages paid by all employers as provided in 39-51-1212.

(5) All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.

(6) The following assessments and investment income from those assessments are designated to be used for the administration of the unemployment insurance program:

(a) 0.05% of all taxable wages paid by all employers as provided in 39-51-1218;

(b) 0.05% of all taxable wages paid by employers assigned an industry rate as provided in 39-51-1217;

(c) 0.03% of total wages paid by all employers as provided in 39-51-1124; and

(d) beginning July 1, 2008, 0.04% of total wages paid by all employers as provided in 39-51-1212.

(7) If unemployment insurance funding sources exceed the needs of the unemployment insurance program, all or a portion of the excess may be appropriated and used for the purposes outlined in 39-51-409."

Section 2. Section 39-51-409, MCA, is amended to read:

"39-51-409. Employment security account. (1) There is an account created in the state special revenue fund called the employment security account.

(2) Money deposited in the employment security account may be appropriated to the department for payment of:

(a) unemployment insurance benefits;

(b) expenses incurred in the administration of the unemployment insurance program;

~~(b)~~(c) expenses incurred in collecting money deposited in the account;

~~(c)~~(d) expenses incurred for the employment offices established in 39-51-307, including expenses for providing services to the business community;

~~(d)~~(e) expenses incurred for the apprenticeship and training program;

~~(e)~~(f) expenses for displaced homemaker programs provided for under 39-7-305;

~~(f)~~(g) expenses for department research and analysis functions that provide employment, wage, and economic data; and

~~(g)~~(h) expenses for department functions pertaining to wage and hour laws, prevailing wages, and collective bargaining.

(3) The department may transfer funds from the employment security account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide for the employment services programs identified in subsection (2).

(4) The department may transfer appropriation authority in employment services programs between the federal special revenue and the state special revenue fund types."

Section 3. Section 39-51-1121, MCA, is amended to read:

"39-51-1121. Definitions. As used in part 12 and this part ~~and part 12~~, the following definitions apply:

(1) "Computation date" means the reporting period ending September 30 preceding the calendar year for which a covered employer's contribution rate is effective.

(2) "Cutoff date" means October 31 immediately following the computation date. The department may extend the cutoff date in meritorious cases.

(3) "Deficit employer" means an employer who is subject under this chapter and who has established a record of accumulated benefits charged to the employer's account in excess of the employer's accumulated

contributions paid as of the cutoff date.

(4) "Eligible employer" means an employer who has been subject under this chapter for the 3 fiscal years immediately preceding the computation date and who has:

(a) established a record of accumulated contributions in excess of benefits charged to the employer's account; and

(b) paid wages in at least 1 of the 8 calendar quarters preceding the computation date.

(5) "Fiscal year" means the four consecutive calendar quarters ending on September 30.

(6) "Governmental entities" means the state or any political subdivision of the state or an instrumentality of the state or a political subdivision, including any employing unit funded directly by tax levies.

(7) "New employer" means an employer who:

(a) has not been subject to the provisions of this chapter for the 3 fiscal years immediately preceding the computation date; and

(b) has established a record of accumulated contributions in excess of benefits charged to the employer's account.

(8) "Taxable wage base" means the amount of wages subject to contributions and to assessments under 39-51-404~~(4)~~ for each calendar year. Payment of contributions and of assessments under 39-51-404~~(4)~~ may apply only to wages paid up to and including the amount specified in 39-51-1108."

Section 4. Section 39-51-1212, MCA, is amended to read:

"39-51-1212. Experience rating for governmental entities. (1) Governmental entities ~~newly~~ covered under this chapter ~~after December 31, 1974, shall make payments for the period prior to July 1, 1977, equal to 0.4% of total wages paid employees for services in employment during the calendar quarter and for the period after July 1, 1977,~~ shall make payments at the median rate.

(2) The rates of governmental entities who have accumulated experience rating credits ~~shall~~ must be adjusted annually as follows with each governmental entity assigned a rate based upon:

(a) its benefit cost experience, to be arrived at by dividing the total sum of benefits charged to the employer's account for all past periods ~~which~~ that are completed transactions by December 31 by total wages from date of subjectivity of the employing unit through December 31; and

(b) the benefit cost for all past years of governmental entities electing to pay contributions compared with total payrolls reported for all past years by these governmental entities used as a median, with the rates so fixed using the median that the rates will, when applied to the total annual payroll for subject governmental entities,

yield total paid contributions equaling approximately the total benefit costs.

(3) New governmental entities electing to pay contributions ~~shall~~ must be assigned the median rate for the year in which they become subject.

(4) ~~At no time may the~~ The minimum rate may not be less than ~~0.1%~~ 0.06% ~~or~~ and the maximum rate may not be greater than 1.5%. The rates are to be graduated at one-tenth intervals.

(5) ~~In the event~~ If benefit charges exceed contributions paid in the last 2 completed fiscal years, governmental entities' rates ~~will~~ must be adjusted by increasing all rates to the next higher schedule.

(6) The computed rate is effective July 1 of each year.

(7) Governmental entities must be charged for their share of the total benefits paid to a claimant if the governmental entity contributed wages during the claimant's base period. The benefit charged must be based on the percentage of wages paid by the governmental entity as compared to the total wages paid by all employers in the claimant's base period.

(8) A payment may not be required under this section with respect to benefits paid to an individual if the governmental employer continues to provide employment to the individual with no reduction in hours or wages."

Section 5. Section 39-51-1218, MCA, is amended to read:

"39-51-1218. Rate schedules.

SCHEDULES OF CONTRIBUTION RATES - Part I

	Sched. I	Sched. II	Sched. III	Sched. IV
Minimum Ratio of Fund to Total Wages	~~(.0245)~~ (.0260)	~~(.0225)~~ (.0245)	~~(.0200)~~ (.0225)	~~(.0170)~~ (.0200)
Average Tax Rate	~~1.37~~ 1.17	~~1.57~~ 1.37	~~1.77~~ 1.57	~~1.97~~ 1.77
Rate Class	Contribution Rates for Eligible Employers			
1	0.00%	~~0.07%~~ 0.00%	~~0.27%~~ 0.02%	~~0.47%~~ 0.22%
2	~~0.07~~ 0.00	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42
3	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62
4	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82
5	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02
6	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22
7	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42

8	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62
9	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82
10	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02
Rate Class	Contribution Rates for Deficit Employers			
1	~~3.17%~~ 2.92%	~~3.37%~~ 3.12%	~~3.57%~~ 3.32%	~~3.77%~~ 3.52%
2	~~3.37~~ 3.12	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72
3	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92
4	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12
5	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32
6	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52
7	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72
8	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 5.12
9	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 5.12	~~5.37~~ 5.32
10	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12

SCHEDULES OF CONTRIBUTION RATES - Part II

Sched. V	Sched. VI	Sched. VII	Sched. VIII	Sched. IX	Sched. X	Sched. XI
~~(.0135)~~	~~(.0095)~~	~~(.0075)~~	~~(.0050)~~	~~(....)~~	~~(....)~~	(....)
(.0175)	(.0135)	(.0095)	(.0075)	(.0050)	(.0025)	(....)
~~2.17~~	~~2.37~~	~~2.57~~	~~2.77~~	~~2.97~~	~~3.17~~	
1.92	2.12	2.32	2.52	2.72	2.92	3.12
Contribution Rates for Eligible Employers						
~~0.67%~~	~~0.87%~~	~~1.07%~~	~~1.27%~~	~~1.47%~~	~~1.67%~~	
0.42%	0.62%	0.82%	1.02%	1.22%	1.42%	1.62%
~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	1.82
~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	2.02
~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	2.22
~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	2.42
~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	2.62
~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	2.82
~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	3.02

~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	3.22
~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	~~3.47~~ 3.22	3.42

Contribution Rates for Deficit Employers

~~3.97%~~	~~4.17%~~	~~4.37%~~	~~4.57%~~	~~4.77%~~	~~4.97%~~	
3.72%	3.92%	4.12%	4.32%	4.52%	4.72%	4.92%
~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	5.12
~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	5.32
~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	5.52
~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	5.72
~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	5.92
~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	6.12
~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	6.12
~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12
~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12"

Section 6. Section 39-51-3207, MCA, is amended to read:

"39-51-3207. Authority to determine uncollectibility of debts -- transfer of debts for collection -- liability for payment of fees and costs of collection. (1) After making all reasonable efforts to collect unpaid contributions, assessments under 39-51-404~~(4)~~, and penalties and interest, or overpaid benefits under 39-51-3206 and interest, the department may determine a debt to be uncollectible. Upon determining that a debt is uncollectible, the department may transfer the debt to the department of revenue for collection as provided in 17-4-104.

(2) Subject to approval by the department, reasonable fees or costs of collection incurred by the department of revenue may be added to the amount of the debt, including added fees or costs. The debtor is liable for repayment of the amount of the debt plus fees or costs added pursuant to this subsection. All money collected must be returned to the department to be applied to the debt, except that all fees or costs collected must be retained by the department of revenue. If less than the full amount of the debt is collected, the department of revenue shall retain only a proportionate share of the collection fees or costs."

NEW SECTION. **Section 7. Effective dates.** (1) [Section 2 and this section] are effective October 1, 2007.

(2) [Sections 1, 3, 5, and 6] are effective January 1, 2008.

(3) [Section 4] is effective July 1, 2008.

- END -

HOUSE BILL NO. 790

INTRODUCED BY L. JONES, KEANE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ASSESSMENTS USED FOR PAYMENT OF EXPENSES INCURRED FOR ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; PROVIDING THAT FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT MAY BE USED FOR EXPENSES INCURRED IN ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; CHANGING CONTRIBUTION RATES TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR GOVERNMENTAL ENTITIES AND ADJUSTING RATE SCHEDULES FOR EMPLOYERS UNDER THE UNEMPLOYMENT INSURANCE PROGRAM; AMENDING SECTIONS 39-51-404, 39-51-409, 39-51-1121, 39-51-1212, 39-51-1218, AND 39-51-3207, MCA; AND PROVIDING EFFECTIVE DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-51-404, MCA, is amended to read:

"39-51-404. Administrative expenses. (1) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this chapter pursuant to a specific appropriation by the legislature if the expenses are incurred and the money is requisitioned after the enactment of an appropriation law that:

(a) specifies the purposes for which the money is appropriated and the amounts appropriated; and

(b) limits the amount that may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount not exceeding the amount by which the aggregate of the amounts credited to the account of this state pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of the 35 12-month periods.

(2) For the purposes of this section, amounts used during any 12-month period must be charged against equivalent amounts that were first credited and that are not already charged, except that an amount used for administration during any 12-month period may not be charged against any amount credited during a 12-month

period earlier than the 34th preceding period. Money requisitioned for the payment of expenses of administration pursuant to this section must be deposited in the unemployment insurance administration account but, until expended, must remain a part of the unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds deposited. If any money deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating the money, it must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) ~~An assessment equal to 0.13% of all taxable wages provided for in 39-51-1108 and 0.05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers. All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.~~ The following assessments must be levied against and paid by the indicated employers:

(a) beginning January 1, 2008:

(i) 0.13% of all taxable wages paid by employers assigned a Rate Class 1, Schedules I and II, AND RATE CLASS 2, SCHEDULE I, contribution rate as provided in 39-51-1218;

(ii) 0.18% of all taxable wages paid by employers assigned a contribution rate other than Rate Class 1, Schedules I and II, and Rate class 2, Schedule I, as provided in 39-51-1218;

(iii) 0.18% of all taxable wages paid by employers assigned an industrial rate as provided in 39-51-1217;

(iv) 0.08% of total wages paid by all employers as provided in 39-51-1124;

(b) beginning July 1, 2008, 0.09% of total wages paid by all employers as provided in 39-51-1212.

(5) All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.

(6) The following assessments and investment income from those assessments are designated to be used for the administration of the unemployment insurance program:

(a) 0.05% of all taxable wages paid by all employers as provided in 39-51-1218;

(b) 0.05% of all taxable wages paid by employers assigned an industry rate as provided in 39-51-1217;

(c) 0.03% of total wages paid by all employers as provided in 39-51-1124; and

(d) beginning July 1, 2008, 0.04% of total wages paid by all employers as provided in 39-51-1212.

(7) If unemployment insurance funding sources exceed the needs of the unemployment insurance program, all or a portion of the excess may be appropriated and used for the purposes outlined in 39-51-409."

Section 2. Section 39-51-409, MCA, is amended to read:

"39-51-409. Employment security account. (1) There is an account ~~created~~ in the state special revenue fund called the employment security account.

(2) Money deposited in the employment security account may be appropriated to the department for payment of:

(a) unemployment insurance benefits;

(b) expenses incurred in the administration of the unemployment insurance program;

~~(b)~~(c) expenses incurred in collecting money deposited in the account;

~~(c)~~(d) expenses incurred for the employment offices established in 39-51-307, including expenses for providing services to the business community;

~~(d)~~(e) expenses incurred for the apprenticeship and training program;

~~(e)~~(f) expenses for displaced homemaker programs provided for under 39-7-305;

~~(f)~~(g) expenses for department research and analysis functions that provide employment, wage, and economic data; and

~~(g)~~(h) expenses for department functions pertaining to wage and hour laws, prevailing wages, and collective bargaining.

(3) The department may transfer funds from the employment security account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide for the employment services programs identified in subsection (2).

(4) The department may transfer appropriation authority in employment services programs between the federal special revenue and the state special revenue fund types."

Section 3. Section 39-51-1121, MCA, is amended to read:

"39-51-1121. Definitions. As used in part 12 and this part ~~and part 12~~, the following definitions apply:

(1) "Computation date" means the reporting period ending September 30 preceding the calendar year for which a covered employer's contribution rate is effective.

(2) "Cutoff date" means October 31 immediately following the computation date. The department may extend the cutoff date in meritorious cases.

(3) "Deficit employer" means an employer who is subject under this chapter and who has established a record of accumulated benefits charged to the employer's account in excess of the employer's accumulated

contributions paid as of the cutoff date.

(4) "Eligible employer" means an employer who has been subject under this chapter for the 3 fiscal years immediately preceding the computation date and who has:

(a) established a record of accumulated contributions in excess of benefits charged to the employer's account; and

(b) paid wages in at least 1 of the 8 calendar quarters preceding the computation date.

(5) "Fiscal year" means the four consecutive calendar quarters ending on September 30.

(6) "Governmental entities" means the state or any political subdivision of the state or an instrumentality of the state or a political subdivision, including any employing unit funded directly by tax levies.

(7) "New employer" means an employer who:

(a) has not been subject to the provisions of this chapter for the 3 fiscal years immediately preceding the computation date; and

(b) has established a record of accumulated contributions in excess of benefits charged to the employer's account.

(8) "Taxable wage base" means the amount of wages subject to contributions and to assessments under 39-51-404~~(4)~~ for each calendar year. Payment of contributions and of assessments under 39-51-404~~(4)~~ may apply only to wages paid up to and including the amount specified in 39-51-1108."

Section 4. Section 39-51-1212, MCA, is amended to read:

"39-51-1212. Experience rating for governmental entities. (1) Governmental entities ~~newly~~ covered under this chapter ~~after December 31, 1974, shall make payments for the period prior to July 1, 1977, equal to 0.4% of total wages paid employees for services in employment during the calendar quarter and for the period after July 1, 1977,~~ shall make payments at the median rate.

(2) The rates of governmental entities who have accumulated experience rating credits ~~shall~~ must be adjusted annually as follows with each governmental entity assigned a rate based upon:

(a) its benefit cost experience, to be arrived at by dividing the total sum of benefits charged to the employer's account for all past periods ~~which~~ that are completed transactions by December 31 by total wages from date of subjectivity of the employing unit through December 31; and

(b) the benefit cost for all past years of governmental entities electing to pay contributions compared with total payrolls reported for all past years by these governmental entities used as a median, with the rates so fixed using the median that the rates will, when applied to the total annual payroll for subject governmental entities,

yield total paid contributions equaling approximately the total benefit costs.

(3) New governmental entities electing to pay contributions ~~shall~~ must be assigned the median rate for the year in which they become subject.

(4) ~~At no time may the~~ The minimum rate may not be less than ~~0.1%~~ 0.06% ~~or~~ and the maximum rate may not be greater than 1.5%. The rates are to be graduated at one-tenth intervals.

(5) ~~In the event~~ If benefit charges exceed contributions paid in the last 2 completed fiscal years, governmental entities' rates ~~will~~ must be adjusted by increasing all rates to the next higher schedule.

(6) The computed rate is effective July 1 of each year.

(7) Governmental entities must be charged for their share of the total benefits paid to a claimant if the governmental entity contributed wages during the claimant's base period. The benefit charged must be based on the percentage of wages paid by the governmental entity as compared to the total wages paid by all employers in the claimant's base period.

(8) A payment may not be required under this section with respect to benefits paid to an individual if the governmental employer continues to provide employment to the individual with no reduction in hours or wages."

Section 5. Section 39-51-1218, MCA, is amended to read:

"39-51-1218. Rate schedules.

SCHEDULES OF CONTRIBUTION RATES - Part I

	Sched. I	Sched. II	Sched. III	Sched. IV
Minimum Ratio of Fund to Total Wages	~~(.0245)~~ (.0260)	~~(.0225)~~ (.0245)	~~(.0200)~~ (.0225)	~~(.0170)~~ (.0200)
Average Tax Rate	~~1.37~~ ~~1.17~~ 1.12	~~1.57~~ ~~1.37~~ 1.32	~~1.77~~ ~~1.57~~ 1.52	~~1.97~~ ~~1.77~~ 1.72
Rate Class	Contribution Rates for Eligible Employers			
1	0.00%	~~0.07%~~ 0.00%	~~0.27%~~ 0.02%	~~0.47%~~ 0.22%
2	~~0.07~~ 0.00	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42
3	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62
4	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82
5	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02
6	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22
7	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42

8	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62
9	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82
10	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02
Rate Class	Contribution Rates for Deficit Employers			
1	~~3.17%~~ 2.92%	~~3.37%~~ 3.12%	~~3.57%~~ 3.32%	~~3.77%~~ 3.52%
2	~~3.37~~ 3.12	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72
3	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92
4	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12
5	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32
6	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52
7	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72
8	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ ~~5.12~~ 4.92
9	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ ~~5.12~~ 4.92	~~5.37~~ ~~5.32~~ 5.12
10	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12

SCHEDULES OF CONTRIBUTION RATES - Part II

Sched. V	Sched. VI	Sched. VII	Sched. VIII	Sched. IX	Sched. X	Sched. XI
~~(.0135)~~ ~~(.0175)~~ (.0170)	~~(.0095)~~ (.0135)	~~(.0075)~~ (.0095)	~~(.0050)~~ (.0075)	~~(....)~~ (.0050)	~~(....)~~ (.0025)	(....) (....)
~~2.17~~ 1.92	~~2.37~~ 2.12	~~2.57~~ 2.32	~~2.77~~ 2.52	~~2.97~~ 2.72	~~3.17~~ 2.92	3.12
	Contribution Rates for Eligible Employers					
~~0.67%~~ 0.42%	~~0.87%~~ 0.62%	~~1.07%~~ 0.82%	~~1.27%~~ 1.02%	~~1.47%~~ 1.22%	~~1.67%~~ 1.42%	1.62%
~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	1.82
~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	2.02
~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	2.22
~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	2.42
~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	2.62
~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	2.82

~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	3.02
~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	3.22
~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	~~3.47~~ 3.22	3.42

Contribution Rates for Deficit Employers

~~3.97%~~	~~4.17%~~	~~4.37%~~	~~4.57%~~	~~4.77%~~	~~4.97%~~	
3.72%	3.92%	4.12%	4.32%	4.52%	4.72%	4.92%
~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	5.12
~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	5.32
~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	5.52
~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	5.72
~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	5.92
~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	6.12
~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	6.12
~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12
~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12"

Section 6. Section 39-51-3207, MCA, is amended to read:

"39-51-3207. Authority to determine uncollectibility of debts -- transfer of debts for collection -- liability for payment of fees and costs of collection. (1) After making all reasonable efforts to collect unpaid contributions, assessments under 39-51-404~~(4)~~, and penalties and interest, or overpaid benefits under 39-51-3206 and interest, the department may determine a debt to be uncollectible. Upon determining that a debt is uncollectible, the department may transfer the debt to the department of revenue for collection as provided in 17-4-104.

(2) Subject to approval by the department, reasonable fees or costs of collection incurred by the department of revenue may be added to the amount of the debt, including added fees or costs. The debtor is liable for repayment of the amount of the debt plus fees or costs added pursuant to this subsection. All money collected must be returned to the department to be applied to the debt, except that all fees or costs collected must be retained by the department of revenue. If less than the full amount of the debt is collected, the department of revenue shall retain only a proportionate share of the collection fees or costs."

NEW SECTION. **Section 7. Effective dates.** (1) [Section 2 and this section] are effective October 1,

2007.

(2) [Sections 1, 3, 5, and 6] are effective January 1, 2008.

(3) [Section 4] is effective July 1, 2008.

- END -

AN ACT REVISING ASSESSMENTS USED FOR PAYMENT OF EXPENSES INCURRED FOR ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; PROVIDING THAT FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT MAY BE USED FOR EXPENSES INCURRED IN ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; CHANGING CONTRIBUTION RATES TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR GOVERNMENTAL ENTITIES AND ADJUSTING RATE SCHEDULES FOR EMPLOYERS UNDER THE UNEMPLOYMENT INSURANCE PROGRAM; AMENDING SECTIONS 39-51-404, 39-51-409, 39-51-1121, 39-51-1212, 39-51-1218, AND 39-51-3207, MCA; AND PROVIDING EFFECTIVE DATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-51-404, MCA, is amended to read:

"39-51-404. Administrative expenses. (1) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this chapter pursuant to a specific appropriation by the legislature if the expenses are incurred and the money is requisitioned after the enactment of an appropriation law that:

(a) specifies the purposes for which the money is appropriated and the amounts appropriated; and

(b) limits the amount that may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount not exceeding the amount by which the aggregate of the amounts credited to the account of this state pursuant to sections 903 and 904 of the Social Security Act, ~~(~~42 U.S.C. 1103 and 1104~~)~~, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of the 35 12-month periods.

(2) For the purposes of this section, amounts used during any 12-month period must be charged against equivalent amounts that were first credited and that are not already charged, except that an amount used for administration during any 12-month period may not be charged against any amount credited during a 12-month

period earlier than the 34th preceding period. Money requisitioned for the payment of expenses of administration pursuant to this section must be deposited in the unemployment insurance administration account but, until expended, must remain a part of the unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds deposited. If any money deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating the money, it must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) ~~An assessment equal to 0.13% of all taxable wages provided for in 39-51-1108 and 0.05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers. All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.~~ The following assessments must be levied against and paid by the indicated employers:

(a) beginning January 1, 2008:

(i) 0.13% of all taxable wages paid by employers assigned a Rate Class 1, Schedules I and II, and Rate Class 2, Schedule I, contribution rate as provided in 39-51-1218;

(ii) 0.18% of all taxable wages paid by employers assigned a contribution rate other than Rate Class 1, Schedules I and II, and Rate class 2, Schedule I, as provided in 39-51-1218;

(iii) 0.18% of all taxable wages paid by employers assigned an industrial rate as provided in 39-51-1217;

(iv) 0.08% of total wages paid by all employers as provided in 39-51-1124;

(b) beginning July 1, 2008, 0.09% of total wages paid by all employers as provided in 39-51-1212.

(5) All assessments and investment income must be deposited in the employment security account provided for in 39-51-409.

(6) The following assessments and investment income from those assessments are designated to be used for the administration of the unemployment insurance program:

(a) 0.05% of all taxable wages paid by all employers as provided in 39-51-1218;

(b) 0.05% of all taxable wages paid by employers assigned an industry rate as provided in 39-51-1217;

(c) 0.03% of total wages paid by all employers as provided in 39-51-1124; and

(d) beginning July 1, 2008, 0.04% of total wages paid by all employers as provided in 39-51-1212.

(7) If unemployment insurance funding sources exceed the needs of the unemployment insurance program, all or a portion of the excess may be appropriated and used for the purposes outlined in 39-51-409."

Section 2. Section 39-51-409, MCA, is amended to read:

"39-51-409. Employment security account. (1) There is an account ~~created~~ in the state special revenue fund called the employment security account.

(2) Money deposited in the employment security account may be appropriated to the department for payment of:

(a) unemployment insurance benefits;

(b) expenses incurred in the administration of the unemployment insurance program;

~~(b)~~(c) expenses incurred in collecting money deposited in the account;

~~(c)~~(d) expenses incurred for the employment offices established in 39-51-307, including expenses for providing services to the business community;

~~(d)~~(e) expenses incurred for the apprenticeship and training program;

~~(e)~~(f) expenses for displaced homemaker programs provided for under 39-7-305;

~~(f)~~(g) expenses for department research and analysis functions that provide employment, wage, and economic data; and

~~(g)~~(h) expenses for department functions pertaining to wage and hour laws, prevailing wages, and collective bargaining.

(3) The department may transfer funds from the employment security account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide for the employment services programs identified in subsection (2).

(4) The department may transfer appropriation authority in employment services programs between the federal special revenue and the state special revenue fund types."

Section 3. Section 39-51-1121, MCA, is amended to read:

"39-51-1121. Definitions. As used in part 12 and this part ~~and part 12~~, the following definitions apply:

(1) "Computation date" means the reporting period ending September 30 preceding the calendar year for which a covered employer's contribution rate is effective.

(2) "Cutoff date" means October 31 immediately following the computation date. The department may extend the cutoff date in meritorious cases.

(3) "Deficit employer" means an employer who is subject under this chapter and who has established

a record of accumulated benefits charged to the employer's account in excess of the employer's accumulated contributions paid as of the cutoff date.

(4) "Eligible employer" means an employer who has been subject under this chapter for the 3 fiscal years immediately preceding the computation date and who has:

(a) established a record of accumulated contributions in excess of benefits charged to the employer's account; and

(b) paid wages in at least 1 of the 8 calendar quarters preceding the computation date.

(5) "Fiscal year" means the four consecutive calendar quarters ending on September 30.

(6) "Governmental entities" means the state or any political subdivision of the state or an instrumentality of the state or a political subdivision, including any employing unit funded directly by tax levies.

(7) "New employer" means an employer who:

(a) has not been subject to the provisions of this chapter for the 3 fiscal years immediately preceding the computation date; and

(b) has established a record of accumulated contributions in excess of benefits charged to the employer's account.

(8) "Taxable wage base" means the amount of wages subject to contributions and to assessments under 39-51-404~~(4)~~ for each calendar year. Payment of contributions and of assessments under 39-51-404~~(4)~~ may apply only to wages paid up to and including the amount specified in 39-51-1108."

Section 4. Section 39-51-1212, MCA, is amended to read:

"39-51-1212. Experience rating for governmental entities. (1) Governmental entities ~~newly~~ covered under this chapter ~~after December 31, 1974, shall make payments for the period prior to July 1, 1977, equal to 0.4% of total wages paid employees for services in employment during the calendar quarter and for the period after July 1, 1977,~~ shall make payments at the median rate.

(2) The rates of governmental entities who have accumulated experience rating credits ~~shall~~ must be adjusted annually as follows with each governmental entity assigned a rate based upon:

(a) its benefit cost experience, to be arrived at by dividing the total sum of benefits charged to the employer's account for all past periods ~~which~~ that are completed transactions by December 31 by total wages from date of subjectivity of the employing unit through December 31; and

(b) the benefit cost for all past years of governmental entities electing to pay contributions compared with

total payrolls reported for all past years by these governmental entities used as a median, with the rates so fixed using the median that the rates will, when applied to the total annual payroll for subject governmental entities, yield total paid contributions equaling approximately the total benefit costs.

(3) New governmental entities electing to pay contributions ~~shall~~ must be assigned the median rate for the year in which they become subject.

(4) ~~At no time may the~~ The minimum rate may not be less than ~~0.1%~~ 0.06% ~~or~~ and the maximum rate may not be greater than 1.5%. The rates are to be graduated at one-tenth intervals.

(5) ~~In the event~~ If benefit charges exceed contributions paid in the last 2 completed fiscal years, governmental entities' rates ~~will~~ must be adjusted by increasing all rates to the next higher schedule.

(6) The computed rate is effective July 1 of each year.

(7) Governmental entities must be charged for their share of the total benefits paid to a claimant if the governmental entity contributed wages during the claimant's base period. The benefit charged must be based on the percentage of wages paid by the governmental entity as compared to the total wages paid by all employers in the claimant's base period.

(8) A payment may not be required under this section with respect to benefits paid to an individual if the governmental employer continues to provide employment to the individual with no reduction in hours or wages."

Section 5. Section 39-51-1218, MCA, is amended to read:

"39-51-1218. Rate schedules.

SCHEDULES OF CONTRIBUTION RATES - Part I

	Sched. I	Sched. II	Sched. III	Sched. IV
Minimum Ratio of Fund to Total Wages	~~(.0245)~~ (.0260)	~~(.0225)~~ (.0245)	~~(.0200)~~ (.0225)	~~(.0170)~~ (.0200)
Average Tax Rate	~~1.37~~ 1.12	~~1.57~~ 1.32	~~1.77~~ 1.52	~~1.97~~ 1.72
Rate Class	Contribution Rates for Eligible Employers			
1	0.00%	~~0.07%~~ 0.00%	~~0.27%~~ 0.02%	~~0.47%~~ 0.22%
2	~~0.07~~ 0.00	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42
3	~~0.27~~ 0.02	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62
4	~~0.47~~ 0.22	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82

5	~~0.67~~ 0.42	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02
6	~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22
7	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42
8	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62
9	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82
10	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02
Rate Class	Contribution Rates for Deficit Employers			
1	~~3.17%~~ 2.92%	~~3.37%~~ 3.12%	~~3.57%~~ 3.32%	~~3.77%~~ 3.52%
2	~~3.37~~ 3.12	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72
3	~~3.57~~ 3.32	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92
4	~~3.77~~ 3.52	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12
5	~~3.97~~ 3.72	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32
6	~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52
7	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72
8	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92
9	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12
10	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12

SCHEDULES OF CONTRIBUTION RATES - Part II

Sched. V	Sched. VI	Sched. VII	Sched. VIII	Sched. IX	Sched. X	Sched. XI
~~(.0135)~~ (.0170)	~~(.0095)~~ (.0135)	~~(.0075)~~ (.0095)	~~(.0050)~~ (.0075)	~~(....)~~ (.0050)	~~(....)~~ (.0025)	(....)
~~2.17~~ 1.92	~~2.37~~ 2.12	~~2.57~~ 2.32	~~2.77~~ 2.52	~~2.97~~ 2.72	~~3.17~~ 2.92	3.12
Contribution Rates for Eligible Employers						
~~0.67%~~ 0.42%	~~0.87%~~ 0.62%	~~1.07%~~ 0.82%	~~1.27%~~ 1.02%	~~1.47%~~ 1.22%	~~1.67%~~ 1.42%	1.62%
~~0.87~~ 0.62	~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	1.82
~~1.07~~ 0.82	~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	2.02

~~1.27~~ 1.02	~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	2.22
~~1.47~~ 1.22	~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	2.42
~~1.67~~ 1.42	~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	2.62
~~1.87~~ 1.62	~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	2.82
~~2.07~~ 1.82	~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	3.02
~~2.27~~ 2.02	~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	3.22
~~2.47~~ 2.22	~~2.67~~ 2.42	~~2.87~~ 2.62	~~3.07~~ 2.82	~~3.27~~ 3.02	~~3.47~~ 3.22	3.42

Contribution Rates for Deficit Employers

~~3.97%~~	~~4.17%~~	~~4.37%~~	~~4.57%~~	~~4.77%~~	~~4.97%~~	
3.72%	3.92%	4.12%	4.32%	4.52%	4.72%	4.92%
~~4.17~~ 3.92	~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	5.12
~~4.37~~ 4.12	~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	5.32
~~4.57~~ 4.32	~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	5.52
~~4.77~~ 4.52	~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	5.72
~~4.97~~ 4.72	~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	5.92
~~5.17~~ 4.92	~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	6.12
~~5.37~~ 5.12	~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	6.12
~~5.57~~ 5.32	~~5.77~~ 5.52	~~5.97~~ 5.72	~~6.17~~ 5.92	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12
~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	~~6.37~~ 6.12	6.12"

Section 6. Section 39-51-3207, MCA, is amended to read:

"39-51-3207. Authority to determine uncollectibility of debts -- transfer of debts for collection -- liability for payment of fees and costs of collection. (1) After making all reasonable efforts to collect unpaid contributions, assessments under 39-51-404~~(4)~~, and penalties and interest, or overpaid benefits under 39-51-3206 and interest, the department may determine a debt to be uncollectible. Upon determining that a debt is uncollectible, the department may transfer the debt to the department of revenue for collection as provided in 17-4-104.

(2) Subject to approval by the department, reasonable fees or costs of collection incurred by the department of revenue may be added to the amount of the debt, including added fees or costs. The debtor is liable for repayment of the amount of the debt plus fees or costs added pursuant to this subsection. All money

collected must be returned to the department to be applied to the debt, except that all fees or costs collected must be retained by the department of revenue. If less than the full amount of the debt is collected, the department of revenue shall retain only a proportionate share of the collection fees or costs."

Section 7. Effective dates. (1) [Section 2 and this section] are effective October 1, 2007.

(2) [Sections 1, 3, 5, and 6] are effective January 1, 2008.

(3) [Section 4] is effective July 1, 2008.

- END -

I hereby certify that the within bill,

HB 0790, originated in the House.

_____

Chief Clerk of the House

_____

Speaker of the House

Signed this _____ day

of _____, 2019.

_____

President of the Senate

Signed this _____ day

of _____, 2019.

HOUSE BILL NO. 790

INTRODUCED BY L. JONES, KEANE

AN ACT REVISING ASSESSMENTS USED FOR PAYMENT OF EXPENSES INCURRED FOR ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; PROVIDING THAT FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT MAY BE USED FOR EXPENSES INCURRED IN ADMINISTRATION OF THE UNEMPLOYMENT INSURANCE PROGRAM; CHANGING CONTRIBUTION RATES TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR GOVERNMENTAL ENTITIES AND ADJUSTING RATE SCHEDULES FOR EMPLOYERS UNDER THE UNEMPLOYMENT INSURANCE PROGRAM; AMENDING SECTIONS 39-51-404, 39-51-409, 39-51-1121, 39-51-1212, 39-51-1218, AND 39-51-3207, MCA; AND PROVIDING EFFECTIVE DATES.

GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0790	Title:	Revise unemployment insurance contribution rates & admin. assessments
Primary Sponsor:	Jones, Llew	Status:	As Introduced

☐ Significant Local Gov Impact ☐ Needs to be included in HB 2 ☐ Technical Concerns

☐ Included in the Executive Budget ☐ Significant Long-Term Impacts ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	FY 2008 Difference	FY 2009 Difference	FY 2010 Difference	FY 2011 Difference
Expenditures:				
State Special Revenue	$0	$0	$0	$0
Other	$0	$0	$0	$0
Revenue:				
State Special Revenue	$1,141,607	$3,972,670	$4,380,121	$4,659,896
Other - UI Trust Fund	($5,030,762)	($15,185,220)	($16,358,206)	($17,455,687)
Net Impact-General Fund Balance	$0	$0	$0	$0

Description of Fiscal Impact:

HB 790 decreases State Unemployment Tax (SUTA) rate schedules by .25%, lowering the average tax rate from 1.37% to 1.12%. It increases the Employer Security Account (ESA) tax rates by .05% for experience rated private employers, .04% for governmental experience rated employers, and .03% for reimbursable employers to generate additional revenues to be used for administration of the Unemployment Insurance program.

FISCAL ANALYSIS

Assumptions:

Department of Labor and Industry

1. HB790 increases the administrative assessment referenced in §39-51-404(4), MCA, by 0.05% (to 0.18%) of all taxable wages paid by private experience rated employers assigned a contributions rate (39-51-1123, MCA) except rate classes 1 and 2, schedule 1, and rate class 1, schedule 2. The administrative assessment for rate classes 1 and 2, schedule 1, and rate class 1, schedule 2, remains unchanged at 0.13%.

2. The bill increases the assessment by 0.05% (to 0.18%) of all taxable wages paid by employers assigned an industry rate (§39-51-1217(4), MCA).
3. The bill increases the assessment by 0.03% (to 0.08%) of total wages paid by private non-profit and governmental reimbursable employers referenced in §39-51-1124, MCA.
4. The bill increases the assessment by 0.04% (to 0.09%) of total wages paid by governmental experience rated employers referenced in §39-51-1212, MCA.
5. The bill decreases the schedules of contribution rates for private experience rated employers by 0.25%. The schedules are located at §39-51-1218, MCA. It decreases the minimum rate of contributions by 0.04% for governmental experience rated employers referenced in §39-51-1212(4), MCA.
6. The administrative assessment will take effect on January 1, 2008 (FY 2008) for experienced rated private employers (except rate class 1 and 2, schedule 1, and rate class 1, schedule 2 employers who will see no change) and for all reimbursable employers. The first collections related to the January 1, 2008 assessment effective date will occur after April 2008.
7. The administrative assessment will take effect on July 1, 2008 (FY 2009) for governmental experienced rated employers. The first collections related to the July 1, 2008 assessment effective date will occur after October, 2008.
8. The increased administrative assessment will generate an estimated $989,318 in FY 2008 from experience rated private employers based upon projected taxable wages of $1.98 billion (adjusted for January 1, 2008 effective date). The increased administrative assessment will generate an estimated $2,895,608 in FY 2009 from experience rated private employers based upon projected taxable wages of $5.791 billion. The increased administrative assessment will generate an estimated $3,092,072 in FY 2010 from experience rated private employers based upon projected taxable wages of $6.184 billion. The increased administrative assessment will generate an estimated $3,301,866 in FY 2011 from experience rated private employers based upon projected taxable wages of $6.604 billion.
9. The increased administrative assessment will generate an estimated $152,289 in FY 2008 from nonprofit and state and local governmental reimbursable employers based upon projected taxable wages of $508 million (adjusted for January 1, 2008 effective date). The increased administrative assessment will generate an estimated $616,247 in FY 2009 from nonprofit state and local governmental reimbursable employers based upon projected taxable wages of $2.054 billion. The increased administrative assessment will generate an estimated $653,286 in FY 2010 from nonprofit state and local governmental reimbursable employers based upon projected taxable wages of $2.178 billion. The increased administrative assessment will generate an estimated $692,607 in FY 2011 from nonprofit state and local governmental reimbursable employers based upon projected taxable wages of $2.309 billion.
10. The increased administrative assessment will generate an estimated $460,815 from governmental experience rated employers in FY 2009 based upon projected taxable wages of $1.152 billion. The increased administrative assessment will generate an estimated $634,763 from governmental experience rated employers in FY 2010 based upon projected taxable wages of $1.587 billion. The increased administrative assessment will generate an estimated $665,423 from governmental experience rated employers in FY 2011 based upon projected taxable wages of $1.664 billion.
11. Total increased revenues for FY 2008 are estimated at $1,141,607 ($989,318 + $152,289).
12. Total increased revenues for FY 2009 are estimated at $3,972,670 ($2,895,608 + $616,247 + $460,815).
13. Total increased revenues for FY 2010 are estimated at $4,380,121 ($3,092,072 + $653,286 + $634,763).
14. Total increased revenues for FY 2011 are estimated at $4,659,896 ($3,301,866 + $692,607 + $665,423).
15. The contribution rate decrease for experience rated employers will reduce taxes payable to the Unemployment Insurance Trust Fund by $5,030,762 in FY 2008, $14,724,405 in FY 2009, $15,723,443 in FY 2010 and $16,790,264 in FY 2011.
16. The contribution rate decrease for governmental experience rated employers will reduce taxes payable to the Unemployment Insurance Trust Fund by $460,815 in FY 2009, $634,763 in FY 2010 and $665,423 in FY 2011.

17. Total reduction of taxes payable to the Unemployment Insurance Trust Fund is estimated to be $5,030,762 in FY 2008, $15,185,220 ($14,724,405 + $460,815) in FY 2009, $16,358,206 ($15,723,443 + $634,763) in FY 2010, and $17,455,687 ($16,790,264 + $665,423) in FY 2011.
18. The projected taxable wages referred to in Assumptions 8 thru 10 are based upon FY 2005 data adjusted for projected growth rates, calculated by the Bureau of Business and Economic Research of the University of Montana – Missoula.

Department of Labor and Industry

Expenditures:				
Total Expenditures	$0	$0	$0	$0
Funding of Expenditures:				
Total Expenditures	$0	$0	$0	$0
Revenues:				
General Fund (01)	$0	$0	$0	$0
State Special Revenue (02258)	$1,141,607	$3,972,670	$4,380,121	$4,659,896
Federal Special Revenue (03)	$0	$0	$0	$0
Other - Trust Fund (06069)	($5,030,762)	($15,185,220)	($16,358,206)	($17,455,687)
TOTAL Revenues	($3,889,155)	($11,212,550)	($11,978,085)	($12,795,791)
Net Impact to Fund Balance (Revenue minus Funding of Expenditures):				
General Fund (01)	$0	$0	$0	$0
State Special Revenue (02258)	$1,141,607	$3,972,670	$4,380,121	$4,659,896
Federal Special Revenue (03)	$0	$0	$0	$0
Other - Trust Fund (06069)	($5,030,762)	($15,185,220)	($16,358,206)	($17,455,687)

Effect on County or Other Local Revenues or Expenditures:

HB790 will present an aggregate increased cost to State/County/City/Local governmental reimbursable employers. These employers elect to reimburse the Unemployment Insurance Trust Fund for actual benefits paid in lieu of contributions. They therefore have no contribution tax rate that can be reduced. Fiscal impact to the affected entities is estimated to be $60,866 in FY 2008, $244,200 in FY 2009, $255,996 in FY 2010, and $268,361 in FY 2011.

Long-Range Impacts:

The State Unemployment Insurance Trust Fund (UI) is solvent. The estimated decreased revenues to the Trust Fund are not projected to negatively impact fund solvency.

Sponsor's Initials	*Date*	*Budget Director's Initials*	*Date*

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: By Chairman Scott Mendenhall, on February 22, 2007 at 8:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:
Rep. Scott Mendenhall, Chairman (R)
Rep. Jim Keane, Vice Chairman (D)
Rep. Mike Milburn, Vice Chairman (R)
Rep. Elsie Arntzen (R)
Rep. Shannon Augare (D)
Rep. Scott Boggio (R)
Rep. Ernie Dutton (R)
Rep. Kevin T. Furey (D)
Rep. Ralph Heinert (R)
Rep. Llew Jones (R)
Rep. Harry Klock (R)
Rep. Michele Reinhart (D)
Rep. Wayne Stahl (R)
Rep. Bill Thomas (D)
Rep. Kendall Van Dyk (D)

Members Excused: Rep. Jonathan Windy Boy (D)

Members Absent: None

Staff Present: Bart Campbell, Legislative Branch
Nancy Kraft, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:
Hearing & Date Posted: HB 655, 2/15/2007; HB 704, 2/15/2007; HB 707, 2/15/2007; HB 766, 2/19/2007; HB 774, 2/19/2007; HB 790, 2/21/2007

Executive Action: HB 704; HB 707; HB 655; HB 774; HB 766; HB 412

HEARING ON HB 655

Opening Statement by Sponsor:

00:03:45 Rep. Gary Branae (D), HD 54, opened the hearing on HB 655, Establishing incumbent worker training program.

Proponents' Testimony:

00:05:50 Bruce MacIntyre, Billings Chamber of Commerce
00:06:48 Joe McClure, Economic Development Authority, Billings
00:07:18 Gary Amestoy, Richland County Economic Development Corporation
00:07:42 Charles Brooks, Yellowstone County Commission, Billings Clinic; City of Billings
00:08:22 Emily Lipp Sirota, Governor's Economic Development Office

Opponents' Testimony: None

Informational Testimony:

00:09:24 Ingrid Childress, Department of Labor and Industry

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:09:55 Rep. Branae

HEARING ON HB 774

Opening Statement by Sponsor:

00:10:43 Rep. Bill Glaser (R), HD 44, opened the hearing on HB 774, Revise raffle laws.

Proponents' Testimony:

00:15:33 Curt Kephart, Billings, Montana
00:20:48 George Graham, Billings, Montana

Opponents' Testimony:

00:22:08 Rich Miller, Gaming Industry Association of Montana
00:27:29 Ronda Wiggers, Montana Coin Machine Operators

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:29:11 Rep. Glaser
EXHIBIT(buh40a01)

HEARING ON HB 707

Opening Statement by Sponsor:

00:34:42 Rep. Robin Hamilton (D), HD 92, opened the hearing on HB 707, Combining licensing for pump installers with water well contractors.

Proponents' Testimony:

00:37:47 Jon Norcross, Camp Well Drilling and Pump Supply

Opponents' Testimony:

00:43:57 Jack Fisher, Chairman, State Electrical Board
00:44:33 Rick Hutchinson, Licensed State Electrician
00:46:31 Jacqueline Lenmark, Montana Water Well Drillers' Association
EXHIBIT(buh40a02)
00:53:41 Keith Allen, International Brotherhood of Electrical Workers
00:54:33 Steve Wade, Montana Rural Water Systems
EXHIBIT(buh40a03)
00:55:34 John Forkan, Montana State Association of Plumbing and Pipe Fitters
00:56:18 Mark Golz, Board of Plumbers
00:58:29 Pat Torgerson, Women Involved in Farm Economics
00:59:23 J. D. Lynch, Montana State Building Trades
01:00:24 Lorraine Schneider, Department of Labor and Industry; Board of Plumbers
01:03:25 Carl Schweitzer, Associated Plumbing and Heating Contractors of Montana

Informational Testimony: None

Questions from Committee Members and Responses:

01:04:05 Rep. Dutton
01:04:36 Mr. Lynch
01:04:44 Rep. Mendenhall

01:06:34 Ms. Schneider
01:07:01 Rep. Mendenhall
01:07:23 Mr. Fisher
01:09:41 Rep. Reinhart
01:09:54 Mr. Fisher
01:10:56 Rep. Boggio
01:11:16 Mr. Fisher
01:12:44 Rep. Augare
01:12:58 Mr. Norcross

Closing by Sponsor:

01:14:23 Rep. Hamilton

HEARING ON HB 790

Opening Statement by Sponsor:

01:16:39 Rep. Llew Jones (R), HD 27, opened the hearing on HB 790, Revise unemployment insurance contribution rates & administrative assessments.

Proponents' Testimony:

01:22:48 Jon Bennion, Montana Chamber of Commerce
01:23:08 Riley Johnson, National Federation of Independent Business

Opponents' Testimony: None

Informational Testimony:

01:23:48 Roy Mulvaney, Department of Labor and Industry
EXHIBIT(buh40a04)

Questions from Committee Members and Responses:

01:28:16 Rep. Keane
01:28:26 Mr. Mulvaney
01:29:19 Rep. Mendenhall
01:29:37 Rep. Jones
01:29:58 Rep. Dutton
01:30:06 Rep. Jones
01:31:09 Rep. Mendenhall
01:31:19 Keith Kelly, Commissioner, Department of Labor and Industry
01:33:38 Rep. Keane
01:34:17 Rep. Mendenhall

Closing by Sponsor:

01:34:43 Rep. Jones

01:35:49 Break

HEARING ON HB 766

Opening Statement by Sponsor:

02:01:20 Rep. Jon Sonju (R), HD 7, opened the hearing on HB 766, Revise insure Montana law regarding employer size & association health plans.

Proponents' Testimony:

02:03:49 Daren Engellant, Montana Retail Association
EXHIBIT(buh40a05)
02:07:51 Brad Griffin, Montana Retail Association
02:08:14 Webb Brown, Montana Chamber of Commerce
02:11:26 Riley Johnson, National Federation of Independent Business
02:13:50 Angela Huschka, New West Health Services
02:14:35 Don Allen, Association of Insurance and Financial Advisors
02:15:35 Frank Cote, Montana Health Insurance Plans

Opponents' Testimony: None

Informational Testimony:

02:17:44 Erin McGowan Fincham, State Auditor's Office

Questions from Committee Members and Responses:

02:19:36 Rep. Reinhart
02:19:51 Ms. McGowan Fincham
02:22:17 Rep. Furey
02:23:09 Mr. Cote
02:27:49 Rep. Furey
02:28:36 Ms. McGowan Fincham
02:30:30 Rep. Furey
02:30:45 Christina Goe, State Auditor's Office
02:31:47 Rep. Boggio
02:32:01 Ms. McGowan Fincham
02:34:03 Rep. Jones
02:34:46 Mr. Cote
02:37:02 Rep. Mendenhall
02:37:08 Ms. Huschka

02:38:28 Rep. Mendenhall
02:39:29 Ms. McGowan Fincham
02:41:40 Ms. Goe

Closing by Sponsor:

02:42:49 Rep. Sonju

HEARING ON HB 704

Opening Statement by Sponsor:

02:44:14 Rep. Jim Keane (D), HD 75, opened the hearing on HB 704, Revise prevailing wage laws.

Informational Testimony:

02:51:20 Keith Kelly, Commissioner, Department of Labor and Industry

Proponents' Testimony:

02:53:03 Cary Hegreberg, Montana Contractor's Association

Opponents' Testimony:

02:58:44 Carl Schweitzer, Montana Subcontractors' Association
03:02:55 Rick Hutchinson, Hutchinson Electric, Treasure State Independent Contractors' Union
03:05:24 Margaret Morgan, Greater Montana Independent Electrical Contractors

Questions from Committee Members and Responses: None

Closing by Sponsor:

03:10:36 Rep. Keane

03:13:40 Break

EXECUTIVE ACTION ON HB 704

03:34:33 **Motion:** Rep. Keane moved that HB 704 **DO PASS.**
03:34:40 **Substitute Motion/Vote:** Rep. Keane made a substitute motion that HB 704 **BE TABLED.** Substitute motion carried 13-3 by voice vote with Reps. Furey, Van Dyk, and Rep. Windy Boy voting no. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 707

03:35:52 **Motion**: Rep. Keane moved that HB 707 **DO PASS.**
03:36:00 **Substitute Motion**: Rep. Keane made a substitute motion that HB 707 **BE TABLED.**
03:36:09 Without objection, Rep. Keane withdrew his motion to table HB 707.

Discussion:

03:36:43 Rep. Mendenhall

03:37:27 **Motion/Vote**: Rep. Keane moved that HB 707 **BE TABLED.** Motion carried 15-1 by voice vote with Rep. Furey voting no. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 655

03:38:08 **Motion**: Rep. Keane moved that HB 655 **DO PASS.**
03:38:16 **Substitute Motion/Vote**: Rep. Keane made a substitute motion that HB 655 **BE TABLED.** Substitute motion carried 16-0 by voice vote. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 774

03:39:01 **Motion**: Rep. Milburn moved that HB 774 **DO PASS.**
03:39:22 **Substitute Motion/Vote**: Rep. Milburn made a substitute motion that HB 774 **BE TABLED.** Substitute motion carried 10-6 by roll call vote with Reps. Dutton, Furey, Jones, Heinert, Van Dyk, and Mendenhall voting no. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 766

03:40:51 **Motion**: Rep. Keane moved that HB 766 **DO PASS.**
03:41:15 **Motion**: Rep. Stahl moved that HB 766 **BE AMENDED.**
EXHIBIT(buh40a06)

Discussion:

03:41:41 Rep. Furey
03:42:27 Rep. Keane
03:43:11 Rep. Reinhart
03:43:33 Rep. Dutton
03:44:04 Rep. Keane

03:45:18 **Vote**: Motion carried 11-5 by roll call vote with Reps. Augare, Furey, Jones, Reinhart, and Van Dyk voting no. Rep. Windy Boy voted by proxy.
03:46:16 **Motion/Vote**: Rep. Keane moved that HB 766 **DO PASS AS AMENDED**. Motion carried unanimously by roll call vote. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 412

03:47:45 **Motion**: Rep. Arntzen moved that HB 412 **DO PASS**.

Discussion:

03:48:01 Rep. Dutton
03:48:53 Bart Campbell

03:49:00 **Motion**: Rep. Stahl moved that HB 412 **BE AMENDED**. **EXHIBIT(buh40a07)**

Discussion:

03:51:00 Rep. Keane
03:51:40 Mr. Campbell
03:52:14 Rep. Furey
03:52:27 Janie McCall, Billings Clinic
03:52:48 Anthony Johnstone

03:54:20 **Vote**: Motion carried 15-1 by voice vote with Rep. Mendenhall voting no. Rep. Windy Boy voted by proxy.
03:54:49 **Motion/Vote**: Rep. Arntzen moved that HB 412 **DO PASS AS AMENDED**. Motion carried 13-3 by voice vote with Reps. Heinert, Keane, and Mendenhall voting no. Rep. Windy Boy voted by proxy.

ADJOURNMENT

03:56:09 Adjournment: 12:00 P.M.

_____
REP. SCOTT MENDENHALL, Chairman

_____
NANCY KRAFT, Secretary

SM/nk

Additional Exhibits:

EXHIBIT(buh40aad.pdf)

EXHIBIT 4
DATE 2-22-07
HB 790

Amendments to House Bill 790

Sponsored by Representative Jones

(1) Insert material:

1. Page 2, Line 15
Following: "and II,"
Insert: "and Rate Class 2, Schedule 1 "

(2) Insert material following stricken material:
1. Page 3, Line 4
Following: "an account"
Strike: "created"

(3) Insert material following stricken material:
1. Page 3, Line 27 (NOT NEEDED)
Following "used in"
Strike: " in "

(4) Insert material following stricken material:
1. Page 5, Line 27
Following "Average Tax Rate"
Strike the following numbers: "1.17 1.37 1.57 1.77"
Insert in there place : "1.12 1.32 1.52 1.72 "

(5) Insert material following stricken material:
1. Page 6, Line 18
Following "~~5.17~~ "
Strike: " 5.12"
Insert: "4.92"

(6) Insert material following stricken material:
1. Page 6, Line 18
Following "~~5.17~~ "
Strike: " 5.12"
Insert: "4.92"

(7) Insert material following stricken material:
1. Page 6, Line 18
Following "~~5.37~~ "
Strike: " 5.32"

Insert: "5.12"

(8) Insert material following stricken material:

1. Page 6, Line 24

Strike: "(.0175)

Insert: "(.0170)"

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: By Chairman Scott Mendenhall, on February 23, 2007 at 8:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:
Rep. Scott Mendenhall, Chairman (R)
Rep. Jim Keane, Vice Chairman (D)
Rep. Mike Milburn, Vice Chairman (R)
Rep. Elsie Arntzen (R)
Rep. Shannon Augare (D)
Rep. Scott Boggio (R)
Rep. Ernie Dutton (R)
Rep. Kevin T. Furey (D)
Rep. Ralph Heinert (R)
Rep. Llew Jones (R)
Rep. Harry Klock (R)
Rep. Michele Reinhart (D)
Rep. Wayne Stahl (R)
Rep. Bill Thomas (D)
Rep. Kendall Van Dyk (D)

Members Excused: Rep. Jonathan Windy Boy (D)

Members Absent: None

Staff Present: Bart Campbell, Legislative Branch
Nancy Kraft, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:
Hearing & Date Posted: HB 745, 2/19/2007; HB 749, 2/19/2007; HB 756, 2/19/2007; HB 779, 2/19/2007

Executive Action: HB 730; HB 738; HB 764; HB 790; HB 745; HB 749; HB 756; HB 779; HB 605; HB 29; HB 654

HEARING ON HB 749

Opening Statement by Sponsor:

00:02:58 Rep. Jill Cohenour (D), HD 78, opened the hearing on HB 749, Government storage, display of social security numbers.

EXHIBIT(buh41a01)

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony:

00:08:05 Cheryl Wood, Montana Association of Counties

Questions from Committee Members and Responses:

00:09:10 Rep. Milburn
00:09:22 Rep. Cohenour
00:09:40 Rep. Mendenhall
00:09:54 Rep. Cohenour

Closing by Sponsor:

00:10:09 Rep. Cohenour

HEARING ON HB 756

Opening Statement by Sponsor:

00:11:06 Rep. Llew Jones (R), HD 27, opened the hearing on HB 756, Revise workforce training grant eligibility.

EXHIBIT(buh41a02)

Proponents' Testimony:

00:19:15 Andy Poole, Department of Commerce
00:21:38 Gary Amestoy, Richland County Economic Development Corporation

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:22:55 Rep. Mendenhall
00:23:39 Rep. Jones
00:24:19 Rep. Furey
00:24:13 Rep. Jones
00:24:44 Rep. Mendenhall
00:25:08 Mr. Poole
00:27:05 Rep. Keane
00:27:22 Mr. Poole

Closing by Sponsor:

00:30:15 Rep. Jones

HEARING ON HB 745

Opening Statement by Sponsor:

00:34:24 Rep. JP Pomnichowski (D), HD 63, opened the hearing on HB 745, Authorize county occupancy permits.

Proponents' Testimony:

00:37:09 Michael Harris, Gallatin County Legislative Liaison
EXHIBIT(buh41a03)
00:40:39 Brett Waters, Fire Chief, Central Fire District, Gallatin County Fire Warden
00:42:48 Cheryl Wood, Montana Association of Counties

Opponents' Testimony: None

Informational Testimony:

00:43:34 Tim Lloyd, Department of Labor and Industry

Questions from Committee Members and Responses:

00:43:56 Rep. Milburn
00:44:10 Rep. Pomnichowski
00:44:51 Rep. Dutton
00:45:24 Mr. Harris
00:46:13 Rep. Arntzen
00:46:37 Ms. Wood
00:46:55 Mr. Harris
00:48:40 Rep. Arntzen
00:48:55 Mr. Harris

00:49:38 Rep. Heinert
00:50:10 Rep. Pomnichowski
00:50:51 Harold Blattie, Montana Association of Counties
00:52:17 Rep. Heinert
00:52:10 Bart Campbell
00:53:56 Rep. Mendenhall
00:54:31 Rep. Pomnichowski
00:54:34 Mr. Harris
00:55:24 Rep. Mendenhall
00:55:50 Mr. Harris
00:57:15 Mr. Blattie
00:58:01 Mr. Harris
00:59:15 Rep. Heinert
00:59:45 Mr. Harris
01:01:03 Rep. Reinhart
01:01:30 Mr. Harris
01:02:30 Rep. Keane
01:02:48 Mr. Blattie

Closing by Sponsor:

01:03:18 Rep. Pomnichowski

HEARING ON HB 779

Opening Statement by Sponsor:

01:05:26 Rep. Betsy Hands (D), HD 99, opened the hearing on HB 779, Regulate mercury-added thermostats.

Proponents' Testimony:

01:11:07 Erin Thompson, Women's Voices for the Earth
EXHIBIT(buh41a04)
01:14:42 Anna Peterson, Montana Environmental Information Center

Opponents' Testimony:

01:15:49 Brad Griffin, Montana Retail Association
01:19:03 Carl Schweitzer, Associated Plumbing and Heating Contractors of Montana

Informational Testimony:

01:20:27 Louise Moore, Department of Environmental Quality

Questions from Committee Members and Responses:

01:20:51 Rep. Mendenhall
01:21:12 Ms. Moore
01:21:48 Rep. Dutton
01:22:28 Ms. Moore

Closing by Sponsor:

01:23:18 Rep. Hands

01:24:17 Break

EXECUTIVE ACTION ON HB 730

01:55:45 **Motion**: Rep. Heinert moved that HB 730 **DO PASS.**
01:56:31 **Motion**: Rep. Heinert moved that HB 730 **BE AMENDED.**
EXHIBIT(buh41a05)

Discussion:

01:58:25 Rep. Dutton
01:59:47 Rep. Milburn

02:00:51 **Vote**: Motion failed 8-8 by roll call vote with Reps. Furey, Heinert, Keane, Reinhart, Stahl, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.

Discussion:

02:02:03 Rep. Keane
02:02:24 Rep. Heinert
02:04:17 Rep. Jones

02:05:00 **Vote**: Motion failed 7-9 by roll call vote with Reps. Boggio, Furey, Heinert, Reinhart, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.
02:05:57 **Substitute Motion/Vote**: Rep. Milburn made a substitute motion that HB 730 **BE TABLED AND THE VOTE REVERSED.** Substitute motion carried unanimously by voice vote.

EXECUTIVE ACTION ON HB 738

02:06:42 **Motion**: Rep. Milburn moved that HB 738 **DO PASS.**
02:06:52 **Motion**: Rep. Milburn moved that HB 738 **BE AMENDED.**
EXHIBIT(buh41a06)
EXHIBIT(buh41a07)

Discussion:

02:09:44 Rep. Mendenhall

02:10:29 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.
02:10:50 **Motion**: Rep. Milburn moved that HB 738 **DO PASS AS AMENDED.**
02:11:08 **Motion**: Rep. Stahl moved that HB 738 **BE AMENDED.**
EXHIBIT(buh41a08)

Discussion:

02:13:13 Rep. Arntzen
02:13:29 Rep. Stahl
02:14:13 Rep. Dutton
02:14:27 Bart Campbell
02:15:28 Rep. Mendenhall
02:15:43 Rep. Stahl

02:16:07 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.
02:16:28 **Motion**: Rep. Milburn moved that HB 738 **DO PASS AS AMENDED.**
EXHIBIT(buh41a09)

Discussion:

02:16:46 Rep. Mendenhall
02:17:52 Rep. Arntzen
02:18:27 Rep. Van Dyk
02:20:27 Rep. Jones
02:22:26 Rep. Dutton
02:24:09 Rep. Keane

02:24:52 **Vote**: Motion carried 14-2 by roll call vote with Reps. Augare and Van Dyk voting no. Reps. Windy Boy and Augare voted by proxy.

EXECUTIVE ACTION ON HB 764

02:26:08 **Motion**: Rep. Milburn moved that HB 764 **DO PASS.**
02:26:24 **Motion**: Rep. Furey moved that HB 764 **BE AMENDED.**
EXHIBIT(buh41a10)
02:26:37 **Substitute Motion**: Rep. Milburn made a substitute motion that the amendment to HB 764 **BE AMENDED.**

Discussion:

02:27:05 Bart Campbell

02:28:12 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.
02:28:35 **Motion**: Rep. Milburn moved that HB 764 **DO PASS AS AMENDED.**
EXHIBIT(buh41a11)

Discussion:

02:28:55 Rep. Mendenhall
02:29:21 Rep. Augare
02:30:14 Rep. Milburn

02:30:41 **Vote**: Motion carried 15-1 by voice vote with Rep. Augare voting no. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 790

02:31:28 **Motion**: Rep. Jones moved that HB 790 **DO PASS.**
02:31:42 **Motion**: Rep. Jones moved that HB 790 **BE AMENDED.**
EXHIBIT(buh41a12)

Discussion:

02:33:41 Bart Campbell

02:34:02 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.
02:34:13 **Motion**: Rep. Jones moved that HB 790 **DO PASS AS AMENDED.**

Discussion:

02:34:24 Rep Keane
02:34:59 Rep. Mendenhall

02:35:17 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 745

02:36:37 **Motion**: Rep. Keane moved that HB 745 **DO PASS.**

Discussion:

02:36:55 Rep. Keane
02:37:16 Rep. Dutton
02:38:16 Rep. Reinhart
02:38:57 Rep. Mendenhall
02:39:30 Bart Campbell
02:40:12 Rep. Keane
02:41:29 Rep. Milburn
02:41:45 Rep. Furey
02:42:15 Rep. Reinhart

02:42:35 **Vote**: Motion failed 7-9 by roll call vote with Reps. Augare, Furey, Keane, Reinhart, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.
02:43:25 **Substitute Motion/Vote**: Rep. Milburn made a substitute motion that HB 745 **BE TABLED AND THE VOTE REVERSED.** Substitute motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 749

02:44:02 **Motion**: Rep. Milburn moved that HB 749 **DO PASS.**

Discussion:

02:44:13 Rep. Boggio
02:44:37 Rep. Van Dyk
02:45:19 Rep. Keane
02:46:22 Rep. Augare
02:46:55 Rep. Mendenhall
02:48:11 Rep. Keane

02:48:45 **Vote**: Motion failed 8-8 by roll call vote with Reps. Augare, Furey, Jones, Klock, Reinhart, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 756

02:49:50 **Motion**: Rep. Jones moved that HB 756 **DO PASS.**

Discussion:

02:50:24 Rep. Mendenhall
02:51:03 Rep. Milburn
02:51:25 Rep. Jones

02:52:08 **Vote**: Motion carried unanimously by voice vote. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 779

02:52:43 **Motion**: Rep. Van Dyk moved that HB 779 **DO PASS**.

Discussion:

02:52:58 Rep. Stahl
02:53:36 Rep. Reinhart

02:53:57 **Substitute Motion/Vote**: Rep. Milburn made a substitute motion that HB 779 **BE TABLED**. Substitute motion carried 10-6 by roll call vote with Reps. Augare, Furey, Keane, Reinhart, Van Dyk, and Windy Boy voting no. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 605

02:55:03 **Motion**: Rep. Keane moved to **RECONSIDER HB 605** previously tabled on 02/20/07.

Discussion:

02:55:57 Rep. Stahl
02:56:02 Rep. Keane
02:56:32 Rep. Milburn
02:56:48 Rep. Arntzen

02:58:27 **Vote**: Motion failed 8-8 by roll call vote with Reps. Arntzen, Augare, Furey, Keane, Reinhart, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 29

02:58:30 **Motion**: Rep. Augare moved to **RECONSIDER HB 29** previously tabled on 01/18/07.

Discussion:

02:59:40 Rep. Arntzen
03:01:21 Rep. Mendenhall
03:01:52 Rep. Van Dyk
03:04:15 Rep. Dutton
03:05:07 Rep. Reinhart
03:06:13 Rep. Keane
03:07:29 Rep. Augare

03:09:48 Rep. Jones
03:12:13 Rep. Mendenhall

03:13:27 **Vote**: Motion failed 6-10 by roll call vote with Reps. Augare, Furey, Reinhart, Thomas, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.

EXECUTIVE ACTION ON HB 654

03:14:16 **Motion**: Rep. Reinhart moved to **RECONSIDER HB 654** previously tabled on 02/20/07.

Discussion:

03:15:06 Rep. Reinhart
03:16:23 Rep. Jones
03:18:21 Rep. Dutton
03:19:37 Rep. Milburn
03:20:38 Rep. Keane

03:21:29 **Vote**: Motion failed 7-9 by roll call vote with Reps. Augare, Dutton, Furey, Keane, Reinhart, Van Dyk, and Windy Boy voting aye. Rep. Windy Boy voted by proxy.

ADJOURNMENT

03:22:40 Adjournment: 12:00 P.M.

_____
REP. SCOTT MENDENHALL, Chairman

_____
NANCY KRAFT, Secretary

SM/nk

Additional Exhibits:

EXHIBIT(buh41aad.pdf)

EXHIBIT 12
DATE 2-23-07
HB 790

Amendments to House Bill No. 790
1st Reading Copy

Requested by Representative Llew Jones

For the House Business and Labor Committee

Prepared by Bartley Campbell
February 23, 2007 (7:37am)

1. Page 2, line 15.
Following: "II,"
Insert: "and Rate Class 2, Schedule I,"

2. Page 3, line 4.
Strike: "created"

3. Page 5, line 27.
Strike: "1.17"
Insert: "1.12"
Strike: "1.37"
Insert: "1.32"
Strike: "1.57"
Insert: "1.52"
Strike: "1.77"
Insert: "1.72"

4. Page 6, line 17.
Strike: "5.12"
Insert: "4.92"

5. Page 6, line 18.
Strike: "5.12"
Insert: "4.92"
Strike: "5.32"
Insert: "5.12"

6. Page 6, line 24.
Strike: "(.0175)"
Insert: "(.0170)"

- END -

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By Vice Chairman Janna Taylor, on March 13, 2007 at 8:06 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:
Rep. Eve Franklin, Vice Chairman (D)
Rep. Janna Taylor, Vice Chairman (R)
Rep. Bill Beck (R)
Rep. Tim Callahan (D)
Rep. Edith Clark (R)
Rep. Bill E. Glaser (R)
Rep. Ray Hawk (R)
Rep. Cynthia Hiner (D)
Rep. Galen Hollenbaugh (D)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Bill McChesney (D)
Rep. Penny Morgan (R)
Rep. John L. Musgrove (D)
Rep. Rick Ripley (R)
Rep. Jon C. Sesso (D)
Rep. Jack Wells (R)
Rep. Craig Witte (R)

Members Excused: Rep. John Sinrud, Chairman (R)

Members Absent: None.

Staff Present: Linda Keim, Committee Secretary
Jon Moe, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:
Hearing & Date Posted: HB 630, HB 790, HB 644, HB 330, HB 401, HB 556, HB 637,HB 667, HB 719, HB 734, HB 740, HB 569, HB 304, HB 354, 3/9/2007
Executive Action: None

HEARING ON HB 630

Opening Statement by Sponsor:

00:02:13 Rep. Dave Gallik (D), HD 79, opened the hearing on HB 630, Restrict internet phishing.

Proponents' Testimony:

00:04:18 Amy Grmoljez, Montana Bankers Association

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:04:58 Rep. Gallik

HEARING ON HB 790

Opening Statement by Sponsor:

00:05:26 Rep. Llew Jones (R), HD 27, opened the hearing on HB 790, Revise unemployment insurance contribution rates and administrative assessments.

Proponents' Testimony:

00:09:22 Riley Johnson, National Federation of Federated Business; also representing John Barrows, Federated Newspaper Association

Opponents' Testimony: None

Informational Testimony:

00:10:12 Roy Mulvaney, Administrator, Unemployment Insurance Program

Questions from Committee Members and Responses:

00:11:07 Rep. Beck
00:11:30 Mr. Jones
00:12:12 Rep. Wells
00:12:52 Rep. Jones

00:14:21 Rep. Witte
00:16:05 Rep. Jones

Closing by Sponsor:

Rep. Llew Jones

HEARING ON HB 330

Opening Statement by Sponsor:

00:17:50 Rep. Bob Bergren (D), HD 33, opened the hearing on HB 330, Clean and renewable energy bonding.

Proponents' Testimony:

00:19:07 John Fitzpatrick, Northwestern Energy
00:21:51 Pat Torgerson, Women Involved In Farm Economics (WIFE)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:22:36 Rep. Bergren

HEARING ON HB 401

Opening Statement by Sponsor:

00:22:53 Rep. Dan Villa (D), HD 86, opened the hearing on HB 401, Revise laws relating to water and wastewater treatment plant operators.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:23:37 Rep. Villa

HEARING ON HB 644

Opening Statement by Sponsor:

00:23:52 Rep. Jon Sonju (R), HD 7, opened the hearing on HB 644, Revise net operating loss to conform to federal law.

Proponents' Testimony:

00:25:32 Holly Franz, Montana Society of CPAs

Opponents' Testimony: None

Informational Testimony:

00:27:07 Brian Stahley, Corporate Tax Unit Manager, Department of Revenue

Questions from Committee Members and Responses:

00:27:32 Rep. Jayne
00:28:01 Rep. Sonju
00:29:07 Rep. Sonju
00:29:23 Rep. Jayne
00:31:56 Mr. Stahley
00:32:18 Rep. Taylor
00:32:34 Mr. Stahley

Closing by Sponsor:

00:32:51 Rep. Sonju

HEARING ON HB 556

Opening Statement by Sponsor:

00:33:25 Rep. Bill McChesney (D), HD 40, opened the hearing on HB 556, Allow special fuel user to use dyed fuel under certain conditions.

Proponents' Testimony:

00:34:26 Gayle Abercrombie, Montana Contractors' Association

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:35:57 Rep. Witte
00:36:41 Rep. McChesney

Closing by Sponsor:

00:38:37 Rep. McChesney

HEARING ON HB 637

Opening Statement by Sponsor:

00:38:45 Rep. Harry Klock (R), HD 83, opened the hearing on HB 637, Provide income tax exemption for military service.

Proponents' Testimony:

00:39:49 Roger Hagan, National Guard Officer and Enlisted Associations of Montana
EXHIBIT(aph53a01)

Opponents' Testimony: None

Informational Testimony:

00:45:04 Brian Olson, Income Tax Specialist, Department of Revenue

Questions from Committee Members and Responses:

00:45:24 Rep. Wells
00:46:00 Mr. Olson
00:46:55 Rep. Witte
00:47:32 Rep. Klock
00:48:43 Rep. Witte
00:48:51 Mr. Olson

Closing by Sponsor:

00:49:15 Rep. Klock

HEARING ON HB 667

Opening Statement by Sponsor:

00:49:36 Rep. Jesse O'Hara (R), HD 18, opened the hearing on HB 667, Funding for Lewis and Clark tourism site endowments.

Proponents' Testimony:

00:51:25 Rep. Bill Nooney
00:51:45 Charles Brooks, Billings, Yellowstone County Commissioners; Yellowstone Lewis and Clark Commission
00:52:41 Jay Russell, Executive Director, Lewis and Clark Interpretive Center
00:53:42 Loren Flynn, Executive Directive, Travelers Rest Preservation and Heritage Association, Lolo
EXHIBIT(aph53a02)

Opponents' Testimony: None

Informational Testimony:

00:55:00 Richard Sims, Director, Montana Historical Society

Questions from Committee Members and Responses:

00:56:08 Mr. Moe
00:57:42 Mr. Russell
00:58:11 Mr. Moe
00:58:27 Rep. O'Hara
00:58:37 Rep. Witte
00:58:42 Rep. Wells
00:59:54 Mr. Moe
01:00:19 Rep. Kasten
01:01:34 Rep. O'Hara
01:01:49 Mr. Russell
01:02:43 Rep. Sesso
01:04:38 Mr. Sims
01:05:16 Mr. Moe

Closing by Sponsor:

01:05:44 Rep. O'Hara

HEARING ON HB 719

Opening Statement by Sponsor:

01:06:05 Rep. Franke Wilmer (D), HD 64, opened the hearing on HB 719, Child and dependent care tax credit.
EXHIBIT(aph53a03)
EXHIBIT(aph53a04)

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony:

01:12:41 Brian Olson, Department of Revenue

Questions from Committee Members and Responses: None

Closing by Sponsor:

01:13:05 Rep. Wilmer

HEARING ON HB 734

Opening Statement by Sponsor:

01:13:53 Rep. Dave McAlpin (D), HD 94, opened the hearing on HB 734, Critical funding for community mental health.

Proponents' Testimony:

01:16:56 Kathy McGowan, Montana County Attorneys Association; Montana Sheriffs and Peace Officers Association
01:18:54 Anita Roessmann, Montana Advocacy Program
01:22:38 Charles Brooks, Board of County Commissioners, Yellowstone County
01:23:21 Gloria Hermanson, Clinical Mental Health Counselors
01:23:44 Cheryl Wood, Associate Director, Montana Association of Counties (MACo)

Opponents' Testimony: None

Informational Testimony:

01:24:21 Bob Mullen, Department of Public Health and Human Services, Addictive Mental Illness Services Division

Questions from Committee Members and Responses:

01:24:52 Rep. Kasten
01:26:20 Ms. McGowan
01:28:48 Rep. Hawk
01:31:41 Ms. McGowan

Closing by Sponsor:

01:33:04 Rep. McAlpin

01:33:48 Break
01:49:26 Resume

HEARING ON HB 740

Opening Statement by Sponsor:

01:49:45 Rep. Alan Olson (R), HD 45, opened the hearing on HB 740, State purchase of military headstones.
EXHIBIT(aph53a05)

Proponents' Testimony:

01:51:56 Roger Hagan, Montana National Guard Officer Enlisted Associations
01:53:06 Cheryl Wood, Associate Director, Montana Association of Counties (MACo)
EXHIBIT(aph53a06)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

01:54:06 Rep. Morgan
01:54:24 Rep. Olson

Closing by Sponsor:

01:54:44 Rep. Olson

HEARING ON HB 569

Opening Statement by Sponsor:

01:55:56 Rep. Diane Rice (R), HD 71, opened the hearing on HB 569, Generally revise nursery laws.

Proponents' Testimony:

01:58:07 Chris Wagner, Montana Nursery and Landscape Association

Opponents' Testimony: None

Informational Testimony:

01:59:10 Greg Ames, Administrator, Agricultural Science Division, Montana Department of Agriculture

Questions from Committee Members and Responses:

01:59:36 Rep. Morgan
02:00:02 Mr. Ames

Closing by Sponsor:

02:00:52 Rep. Rice

HEARING ON HB 304

Opening Statement by Sponsor:

02:01:33 Rep. Kevin Furey (D), HD 91, opened the hearing on HB 304, Create interim water policy committee.

Proponents' Testimony:

02:03:13 Rep. Taylor noted that Rep. McNutt expressed support but was unable to stay for the hearing
02:03:17 John Tubbs, Department of Natural Resources and Conservation
02:06:31 Sen. Verdell Jackson, SD 5
02:09:38 Holly Franz, Pacific Power and Light (PPL Montana)
02:11:11 Jeff Barber, Montana Environmental Information Center
02:11:25 Bob Lane, Chief Legal Counsel, Montana Fish, Wildlife and Parks Department
02:14:11 Pat Torgerson, Women Involved In Farm Economics (WIFE)
02:14:36 Mike Murphy, Montana Water Resources Association

Opponents' Testimony: None

Informational Testimony:

02:17:14 Thomas Patton, Montana Mines and Geology

Questions from Committee Members and Responses:

02:17:33 Rep. Kasten
02:22:46 Mr. Tubbs
02:24:10 Rep. Sesso
02:26:02 Rep. Furey
02:27:05 Rep. Taylor
02:27:25 Rep. Furey

Closing by Sponsor:

02:29:40 Rep. Furey

HEARING ON HB 354

Opening Statement by Sponsor:

02:30:41 Rep. Mary Caferro (D), HD 80, opened the hearing on HB 354, Expand services for deaf children in schools.
EXHIBIT(aph53a07)

Proponents' Testimony:

02:33:24 Cleo Klepzig, Montana City parent
02:41:21 Lois Gilge, Havre parent
02:43:26 Carl Schweitzer, Montana Association for the Blind
02:45:34 Steve Gettel, Superintendent, Montana State School for the Deaf and Blind (MSDB)
EXHIBIT(aph53a08)

Opponents' Testimony: None

Informational Testimony:

02:49:40 Bob Runkel, Office of Public Instruction
02:52:52 Chris Wilkenson, Legislative Fiscal Division

Questions from Committee Members and Responses:

02:54:17 Rep. Morgan
02:59:00 Mr. Gettel
03:00:38 Rep. Morgan
03:01:31 Ms. Klepzig
03:02:12 Rep. Franklin
03:03:21 Mr. Gettel
03:05:08 Rep. Jayne
03:05:46 Mr. Runkel

Closing by Sponsor:

03:07:33 Rep. Caferro

ADJOURNMENT

Adjournment: 11:17 A.M.

_____
REP. JOHN SINRUD, Chairman

_____
LINDA KEIM, Secretary

JS/lk

Additional Exhibits:

EXHIBIT(aph53aad.pdf)

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By Vice Chair Janna Taylor, on March 30, 2007 at 8:07 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Eve Franklin, Vice Chairman (D)
Rep. Janna Taylor, Vice Chairman (R)
Rep. Bill Beck (R)
Rep. Tim Callahan (D)
Rep. Bill E. Glaser (R)
Rep. Ray Hawk (R)
Rep. Cynthia Hiner (D)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Bill McChesney (D)
Rep. Penny Morgan (R)
Rep. John L. Musgrove (D)
Rep. Rick Ripley (R)
Rep. Jon C. Sesso (D)
Rep. Jack Wells (R)
Rep. Craig Witte (R)

Members Excused: Rep. John Sinrud, Chairman (R)
Rep. Edith Clark (R)
Rep. Galen Hollenbaugh (D)

Members Absent: None.

Staff Present: Linda Keim, Committee Secretary
Jon Moe, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted:	HB 848, 3/29/2007
Executive Action:	HB 148, HB 273, HB 556, HB 665, HB 790, HB 824

HEARING ON HB 848

Opening Statement by Sponsor:

00:00:57 Rep. Alan Olson (R), HD 45, opened the hearing on HB 848, Military family relief fund.

Proponents' Testimony:

00:02:19 Major General Randy Mosley, Director, Department of Military Affairs; Montana National Guard
EXHIBIT(aph68a01)
00:06:09 Roger Hagan, Montana National Guard Association; Officers and Enlisted Members of Military
00:07:38 Colonel Jim Jacobsen-Retired, Legislative Chair, Montana American Legion

Opponents' Testimony: None

Informational Testimony:

00:09:39 Shona McHugh, Department of Revenue

Questions from Committee Members and Responses:

00:11:03 Rep. Jayne
00:11:49 Rep. Olson
00:12:12 Rep. Beck
00:13:33 Gen. Mosley
00:14:03 Rep. Franklin
00:15:17 Rep. Olson
00:15:38 Gen. Mosley
00:16:28 Rep. Olson
00:16:44 Rep. Sesso
00:19:02 Rep. Olson
00:19:26 Gen. Mosley
00:20:35 Rep. Sesso
00:26:22 Gen. Mosley
00:26:37 Rep. Jayne
00:27:19 Gen. Mosley
00:28:16 Rep. Beck
00:29:42 Gen. Mosley
00:30:08 Rep. Musgrove
00:30:30 Rep. Olson
00:30:40 Rep. Ripley
00:32:30 Rep. Olson
00:32:57 Rep. Callahan
00:33:44 Rep. Olson
00:34:26 Rep. Sesso

Closing by Sponsor:

00:35:08 Rep. Olson

EXECUTIVE ACTION ON HB 148

00:41:56 **Motion:** Rep. Morgan moved **HB 148 DO PASS.**

00:43:17 Rep. Morgan

00:43:31 **Motion/Vote:** Rep. Morgan moved **TO AMEND.** Motion carried 19-0 by voice vote. Rep. Clark, Hollenbaugh, and Rep. Sinrud voted by proxy.
EXHIBIT(aph68a02)

00:44:06 **Motion/Vote:** Rep. Morgan moved **HB 148 DO PASS AS AMENDED.** Motion carried 13-6 by roll call vote, with Rep. Wells, Rep. Jayne, Rep. Ripley, Rep. Witte, Rep. Hawk, and Rep. Sinrud voting no. Rep. Hollenbaugh, Rep. Clark, and Rep. Sinrud voted by proxy.

EXECUTIVE ACTION ON 273

00:46:16 **Motion/Vote:** Rep. Ripley moved **HB 273 DO PASS.** Motion carried 15-4 by roll call vote, with Rep. Callahan, Rep. Hiner, Rep. Sesso, and Rep. Musgrove voting no. Rep. Hollenbaugh, Rep. Clark, and Rep. Sinrud voted by proxy.

EXECUTIVE ACTION ON 556

00:48:12 **Motion:** Rep. McChesney moved **HB 556 DO PASS.**

00:48:27 Rep. Morgan
00:48:59 Rep. Taylor
00:49:04 Rep. McChesney

00:49:19 **Vote:** Motion carried 19-0 by voice vote. Rep. Sinrud, Rep. Clark, and Rep. Hollenbaugh voted by proxy.

EXECUTIVE ACTION ON HB 665

00:49:49 **Motion:** Rep. Morgan moved **HB 665 DO PASS.**
EXHIBIT(aph68a03)

00:50:30 Rep. Wells
00:51:12 Rep. Jayne
00:52:31 Rep. Morgan

00:52:45 **Vote**: Motion failed 9-10 by roll call vote, with Rep. Glaser, Rep. Callahan, Rep. Witte, Rep. Beck, Rep. McChesney, Rep. Clark, Rep. Morgan, Rep. Taylor, and Rep. Sinrud voting aye. Rep. Clark, Rep. Hollenbaugh, and Rep. Sinrud voted by proxy.

00:53:50 **Motion/Vote**: Rep. Sesso moved to **REVERSE VOTE AND TABLE.** Motion carried 18-1, with Rep. Ripley voting no to reversing the vote. Rep. Clark, Rep. Hollenbaugh, and Rep. Sinrud voted by proxy.

EXECUTIVE ACTION ON HB 790

00:55:21 **Motion**: Rep. Ripley moved **HB 790 DO PASS.**

00:56:11 Rep. Ripley

00:57:15 **Vote**: Motion carried 19-0 by voice vote. Rep. Clark, Rep. Hollenbaugh, and Rep. Sinrud voted by proxy.

EXECUTIVE ACTION ON HB 824

00:57:28 **Motion/Vote**: Rep. Glaser moved **TO TABLE HB 824.** Motion carried 12-7 by voice vote, with Rep. Wells, Rep. Witte, Rep. Beck, Rep. Taylor, Rep. Hawk, Rep. Kasten, and Rep. Sinrud voting no. Rep. Hollenbaugh, Rep. Clark, and Rep. Sinrud voted by proxy.

01:00:28 Rep. Taylor
01:00:50 Mr. Moe

ADJOURNMENT

Adjournment: 9:10 A.M.

_____
REP. JOHN SINRUD, Chairman

_____
LINDA KEIM, Secretary

JS/lk

Additional Exhibits:

EXHIBIT(aph68aad.pdf)